Calendar No. 205

101ST CONGRESS *1st Session*	SENATE	REPORT 101-105

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1990

AUGUST 3 (legislative day JANUARY 3), 1989.—Ordered to be printed

Mr. DECONCINI, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 2989]

The Committee on Appropriations, to which was referred the bill (H.R. 2989) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1990, and for other purposes, reports to the Senate with various amendments, and presents herewith information relative to the changes recommended.

Amount of bill as passed by House	$18,422,812,000
Amount of decrease by Senate	11,209,000
Amount of bill as reported to the Senate	18,411,603,000
Amount of estimate	18,418,115,000
The bill as reported to the Senate:	
Above the appropriations provided in 1989	2,365,193,000
Under the estimates for 1990	6,512,000
Below the House bill	11,209,000

---

[1] Includes USPS budget request of $459,755,000 for payment to Postal Service fund.

20-115 ⇆

S183-5

CONTENTS

Page
General statement and summary of bill 3
Title I—Treasury Department 7
Title II—Postal Service 43
Title III—Executive Office of the President 48
Title IV—Independent Agencies:
  Administrative Conference of the United States 62
  Advisory Commission on Intergovernmental Relations 63
  Advisory Committee on Federal Pay 64
  Committee for Purchase From the Blind and Other Severely Handicapped 64
  Federal Election Commission 65
  General Services Administration 66
  National Archives and Records Administration 87
  Office of Personnel Management 88
  Merit Systems Protection Board: Salaries and expenses 93
  Office of Special Counsel 94
  Federal Labor Relations Authority 95
  U.S. Tax Court 96
Title V—General provisions, this act 99
Title VI—General provisions, departments, agencies, and corporations 102
Tables 115

GENERAL STATEMENT AND SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1990.

The Committee considered budget estimates for fiscal year 1990 in the aggregate amount of $18,418,115,000. Compared to that amount the accompanying bill recommends new budget authority totaling $18,411,603,000, which is $6,512,000 less than the amount requested by the administration and $11,209,000 below the House-passed bill.

The Committee recommendations are also $111,397,000 below the section 302(b) allocation for budget authority for the Treasury, Postal Service, and General Government Appropriation bill and approximately $82,671,000 below the 302(b) allocation for outlays for the bill.

REPROGRAMMING REQUIREMENTS

The Committee directs that approval of the House and Senate Committees on Appropriations shall be required for any reprogramming request from an agency, department, or office, when the amount involved is in excess of $500,000, or 10 percent, whichever is greater, in any object class, budget activity, program line item, or program activity. The Committee also requires reprogramming approval by the Committees on Appropriations of the House and Senate if it is clear that such a reprogramming would result in a major change contrary to the program or item presented to and approved by the Committee or the Congress, or if the cumulative effect of past reprogramming actions added to the new action under consideration would exceed the reprogramming dollar threshold established by the Committee in this report.

The Committee notes that the conditions outlined in this report apply only to funds included in appropriation accounts and the Federal Buildings Fund. It excludes other revolving funds since revolving fund programs are generally based on demands from external sources and changes to them do not represent a conscious, discretionary change in programs, projects, or activities. However, the Committee does expect the U.S. Customs Service to report reprogramming actions within the Customs user fee accounts to the Committee on Appropriations of the House and Senate in accordance with the restrictions and guidelines outlined in this report.

The Committee expects the justifications for proposed reprogramming actions to be clear and strongly documented. Furthermore, except in extraordinary circumstances, reprogramming proposals will not be approved by the Committee with less than 45 days left in the fiscal year, nor will they be approved if they propose actions that would effectively reverse previous congressional directives.

TRANSFER OF FUNDS BETWEEN APPROPRIATION ACCOUNTS

The administration has requested authority for the Secretary of the Treasury and the Administrator of General Services to transfer funds between appropriation accounts of the Department of the Treasury and General Services Administration, respectively. For the Secretary of the Treasury, a 2-percent transfer authority is being requested, while the Administrator of GSA is requesting authority to transfer up to 1 percent between appropriation accounts for mandatory requirements.

The Internal Revenue Service has requested authority to transfer up to 4 percent between its appropriation accounts.

The Committee recommends that the Secretary of the Treasury be granted authority to transfer up to 2 percent between appropriation accounts. The Committee has also recommended that the Administrator of General Services be allowed to transfer up to 1 percent between appropriation accounts during fiscal year 1990. The Committee has also approved the requested 4 percent transfer authority for IRS. These transfers will be requested only in emergency situations when the need for such transfer is unforeseen and absolutely critical to the mission supported by the affected appropriation account, and only with prior approval of both the House and Senate Committees on Appropriations.

The Committee is concerned that in the past even such limited transfer authority has been overutilized and often used by the agencies for reorganizations that have major policy implications. Such transfers are interpreted by the Committee as circumventing the appropriations process and will not be condoned. Nevertheless, the Committee acknowledges that circumstances do arise during the course of a year whereby a shift of small amounts of money from one account to another at Treasury and GSA could make a significant impact on the agency's ability to address unforeseen contingencies. Therefore, the Committee has granted limited transfer authority for fiscal year 1990 as outlined above.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY AS PROVIDED FOR BY PUBLIC LAW 99-177

During fiscal year 1990, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended the following information provides the definition of the term "program, project, and activity" for departments and agencies under the jurisdiction of the Treasury, Postal Service, and General Government Subcommittee. The term "program, project, and activity" shall include the most specific level of budget items identified as a dollar amount in the Treasury, Postal Service, and General Government Appropriations Act, 1990 (H.R. 2989), the House and Senate committee reports (H. Rept. 101-170, and the conference report and accompanying joint explanatory statement of the managers of the committee of conference accompanying that act. (Under the above definition, the Federal Buildings Fund, the Bureau of Engraving and Printing Fund, and other intragovernmental funds are exempt under section 255(g)(1) of Public Law 99-177).

In implementing a Presidential Order, departments and agencies shall apply the percentage reduction required for fiscal year 1990 pursuant to the provisions of Public Law 99-177, as amended, to each budget item that is listed under said accounts in the budget justifications submitted to the House and Senate Committees on Appropriations as modified by subsequent appropriations acts (including joint resolutions providing continuing appropriations), and accompanying House and Senate Committee reports, conference reports, or joint explanatory statements of the committee of conference.

TOTAL FUNDING FOR TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT PROGRAMS

In addition to the new obligational authority recommended in the accompanying bill, additional significant sums are made available each year for the Treasury Department, the Office of Personnel Management, and other independent agencies under permanent indefinite authority which do not require consideration by the Congress during the annual appropriations process.

The principal items in these categories include: payment of interest on the public debt which alone is anticipated to reach $248,086,102,000 in fiscal year 1990; interest on Internal Revenue Service refunds of income tax payments, $1,776,000,000; payment of claims, judgments, and relief acts, $348,900,000; payments in connection with the Civil Service Retirement and Disability Fund, $17,123,730,000; and Federal Retirement Thrift Investment Board, program expenses, $17,324,000.

The Committee also establishes limitations on the use of certain funds within the agencies covered by this act.

In addition to the agencies whose funds are derived from direct appropriations, there are other agencies which operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriations process or, as a matter of fact, from any other regular oversight by the Congress. For example, the U.S. Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Therefore, normally only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from congressional review, because such assessments are not construed under law to be Government funds.

AGENCY ADHERENCE TO ESTIMATES CONTAINED IN BUDGET JUSTIFICATIONS

The Committee believes that the agency budget justifications presented each year outlining the assumptions contained in the President's annual budget should accurately reflect the proposed allocation of resources and activities within the agency budget plan for the coming fiscal year. At the same time, the Committee is cognizant of the fact that economic conditions; program changes; congressional directives; and other unforeseen circumstances often change the assumptions which are built into the President's budget submission in the first few months of the calendar year. Nevertheless, the Committee expects every agency funded in this bill to closely adhere to the estimates presented in their annual budget justifications to the Committee, including its object classification tables, unless funding levels for programs, projects, and activities are specifically altered by the Committee and/or the Congress.

In this regard, the Committee expects to receive periodic notification from the agencies if and when they intend to alter the mix of programs, projects, activities, or funding assumptions initially presented in their fiscal year 1990 budget justifications which do not require a formal reprogramming action in accordance with this report.

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

Appropriations, 1989	$57,995,000
Budget estimate, 1990	83,091,000
House allowance	58,081,000
Committee recommendation	83,091,000

[1] House has proposed separate accounts for salaries and expenses and international affairs.

The Committee recommends an appropriation of $83,091,000 for salaries and expenses for Departmental Offices of the Treasury Department, including the international affairs function. The House has provided for separate appropriations for international affairs and for the "Departmental offices, salaries and expenses" account. The amount provided by the Committee is the same as the aggregate House allowance for the two accounts and the budget estimate for the combined accounts.

The Committee has recommended approval of the President's proposal to combine the salaries and expenses and international affairs functions within one account. The Committee again sees no good reason to separate these two activities so long as the Department and the Secretary continue to provide extensive detail in their annual budget justifications regarding the international affairs activity. The following table reflects the President's proposed budget request for salaries and expenses of the Treasury Departmental Offices under the one account approved by the Committee and breaks out the international affairs subactivity in detail:

SUBACTIVITY DISTRIBUTION

[Dollars in thousands]

Activity	Fiscal year 1990—					
	Salaries and expenses		International affairs		Total	
	Average positions	Amount	Average positions	Amount	Average positions	Amount
Secretarial policy and program development:						
Executive direction	19	$1,067	17	$872	36	$1,939
Public, legislative, and international affairs	48	2,219			48	2,219
Legal staff	53	3,066	16	896	69	3,962
Enforcement	42	2,703			42	2,703
Tax policy	120	6,773	21	1,328	141	8,101
U/S for finance	109	5,788			109	5,788
Subtotal	391	21,616	54	3,096	445	24,712
Inspector general						

SUBACTIVITY DISTRIBUTION—Continued

[Dollars in thousands]

Activity	Fiscal year 1990—					
	Salaries and expenses		International affairs		Total	
	Average positions	Amount	Average positions	Amount	Average positions	Amount
International affairs:						
Assistant Secretary (international affairs)			21	1,314	21	1,314
Arabian Peninsula affairs			28	1,762	28	1,762
Trade and investment policy			39	2,446	39	2,446
International monetary affairs			73	4,571	73	4,571
Developing nations			62	3,886	62	3,886
Subtotal			223	13,979	223	13,979
Departmental management and administration:						
Assistant Secretary (Management)	13	664	1	76	14	740
Departmental finance and management	102	6,648	1	126	103	6,774
Departmental information systems	20	1,261			20	1,261
Administration	153	17,578	52	3,210	205	20,788
Subtotal	288	26,151	54	3,412	342	29,563
Building maintenance and operations:						
Facilities maintenance	49	2,529	22	1,436	71	3,965
Space and utilities		7,212		3,087		10,299
Subtotal	49	9,741	22	4,523	71	14,264
Repairs and improvement		573				573
Total, direct funding	728	58,081	353	25,010	1,081	83,091

The Departmental Offices function of the Treasury Department provides basic support to the Secretary in his roles as the chief financial officer of the Government, major policy advisor to the President, and Executive Director of the Treasury Department. The Secretary's responsibilities include: recommending and implementing U.S. domestic and international economic policy, fiscal policy, and tax policy; managing the fiscal operations of the Government; managing the public debt; overseeing the major law enforcement functions carried out by the Treasury Department; serving as the U.S. representative to the various international financial organizations; and directing the general administrative operations of the Treasury Department.

In support of the Secretary, the Departmental Offices function provides policy formulation and implementation in areas such as tax and economic affairs, trade and financial operations, and general fiscal policy. This function also provides advice and technical assistance on administrative and legislative programs and establishes and coordinates departmental administrative policies in areas such as budget, accounting, personnel, procurement, information systems development and management, telecommunications, and equal employment opportunity.

The international affairs programs involve the formulation and execution of Treasury policy in a wide range of important economic areas. This activity includes those offices responsible for providing staff analysis and support for the Secretary and other senior officials involved in formulating and implementing international economic and financial policies. The issues involved within this activity include: international monetary affairs; international development financing policy; U.S. policy toward and participation in the work of the various international financial organizations; international economic analysis; international trade and investment policy; financial aspects of commodities and natural resources policy; and relations with the oil-producing countries of the Arabian Peninsula.

The administration's proposed fiscal year 1990 budget request for the Departmental Offices reflects a total increase of $1,473,000 over the fiscal year 1989 enacted level of funding.

The Committee is concerned that one of the program increases planned in fiscal year 1990 is $550,000 to fund contract studies to analyze the effectiveness of the white collar crime investigations carried out by Secret Service and to identify strategies to improve the effectiveness of drug interdiction programs. The Committee believes these studies should be handled through the appropriate agencies of jurisdiction and not at the departmental level and, therefore, denies the use of these funds for the contract studies in fiscal year 1990 and directs the Department to use these funds to support other enforcement-related activities under its jurisdiction.

OFFICE OF FOREIGN ASSETS CONTROL

The Office of Foreign Assets Control [FAC] administers economic sanctions against selected foreign countries to further U.S. foreign policy and national security goals. The Office acts under the authority of the President's statutory emergency and wartime powers, as well as under the authority of specific legislation to impose controls on transactions with foreign countries. Currently, FAC administers frozen assets and economic embargoes against the nations of Cuba, North Korea, Vietnam, Cambodia, Libya, and Panama. It also implements trade and economic sanctions against Iran, Nicaragua, and South Africa.

Despite the enormous responsibilities of this Office, the Committee is concerned that it has been operating at a staffing level of only 18 full-time equivalents and a budget of approximately $900,000. As a result, the Office has been able to assign only two full-time individuals to oversee the implementation of economic embargoes against Cuba, and only two-thirds of one full-time equivalent each for the oversight of trade sanctions against South Africa and the economic embargo against Panama. The Committee has further learned that no travel funds have been budgeted for this Office to permit staff travel for enforcement, compliance, public education, and inspection purposes. During this past year, the Committee has been advised that economic violations continue to occur despite the sanctions in place against certain countries such as Cuba. The Committee is concerned that such violations may be a direct result of the insufficient staffing levels within the Office of Foreign Assets Control to enforce the economic regulations and carry out its oversight role.

In order for this Office to properly implement its statutory responsibilities, the Committee instructs the Department to make available $2,000,000 and provide a staffing level of 40 full-time equivalents in fiscal year 1990 out of the "Salaries and expenses" account for the Office of Foreign Assets Control. Additionally, the Committee believes this Office should be provided a travel allowance of at least $50,000 on an annual basis for staff travel for enforcement and compliance purposes and to promote a better understanding of U.S. economic and trade sanctions in those communities directly affected by these policies. The Committee expects to receive quarterly reports from the Department on the successful enforcement of U.S. economic and trade policies from this enhancement. Furthermore, the Committee expects the Department to include a detailed budget explanation for the Office of Foreign Assets Control in its fiscal year 1991 budget submission.

IRS BUDGET PRESENTATION

The budget for the Internal Revenue Service [IRS] for fiscal year 1990 consists of four separate accounts totaling $5,542,495,000. The Committee notes that for each of the past several fiscal years, the budget request for activities of the IRS have increased due to growing workloads and enhanced revenue initiatives formulated to reduce the Federal deficit. As the IRS budget continues to increase substantially it is becoming more and more difficult for the Congress to thoroughly examine the funding requirements for this agency by program activity. The Committee believes it would be much more beneficial to the Department as well as the Congress in assessing the IRS budgetary requirements if the IRS programs were broken out into accounts which more accurately reflect the various missions and responsibilities. For this reason, the Committee instructs the Department of the Treasury to review the IRS budget presentation and develop a new budget account format for fiscal year 1991 which more appropriately represents the agency requirements at the program level. The Department should consult with the Committee and the OMB in developing a new budget account structure for the IRS and advise the Committee periodically of the progress it is making in this regard.

IRS REVENUE INITIATIVES

For the past several years, the administration has requested, and the Congress has approved, revenue enhancements for the Internal Revenue Service. While the Committee supports activities designed to reduce the Federal deficit, it remains concerned that neither the IRS nor the Department of the Treasury have been able to demonstrate that the additional funds provided for these revenue enhancements have, in fact, achieved the estimated additional revenue yield assumed by the administration. In fiscal year 1990, the Committee has once again included an additional $109,000,000 for the IRS to achieve additional revenues estimated at $450,000,000. Because of the substantial investment being made, the Committee instructs the Department of the Treasury to devise a reliable method to track the return on investment from these revenue enhancements and report to the Committee in its fiscal year 1991 budget submission on its findings. The Committee expects the Department to consult with the Committee throughout the year to keep it up to date on the progress it is making.

ETHYL TERTIARY BUTYL ETHER [ETBE] TAX CREDIT RULING

The Committee notes that in the past year 75 Senators, the Secretary of Agriculture, the Secretary of Energy and the Administrator of the Environmental Protection Agency have written to the Secretary of the Treasury to urge that ethyl tertiary butyl ether [ETBE] be declared eligible for the alcohol fuels blender tax credit. Sixty-one of the Senators were Members of the Senate when the original alcohol fuels blender tax credit passed and indicated that it was the Senate's intent that ethanol products, such as ETBE, be covered by the credit. The Committee notes that the Senators' request for an administrative ruling on whether ETBE qualifies for the credit has been pending for 12 months and directs the Treasury Department to issue a ruling on eligibility not later than October 15, 1989.

International Affairs

Appropriations, 1989	$23,623,000
Budget estimate, 1990	
House allowance	25,010,000
Committee recommendation	

The Committee has recommended consolidation of the "International affairs" account into one "Departmental offices, salaries and expenses" account as requested by the President. The House has proposed a separate appropriation account for the international affairs function within the Office of the Secretary of the Treasury.

The Committee believes that certain administrative savings can be achieved through consolidation of the "International affairs" account into the "Departmental offices, salaries and expenses" account. Furthermore, the Committee knows of no abuses or misuse of funds within the international affairs functions that would warrant a separate appropriation account as recommended by the House.

Office of the Inspector General

SALARIES AND EXPENSES

Appropriations, 1989	
1990 budget estimate	$13,605,000
House allowance	13,605,000
Committee recommendation	13,605,000

The Committee recommends an appropriation of $13,605,000 for salaries and expenses of the Office of the Inspector General. This amount is the same as the budget request and the House allowance.

The statutory Office of the Inspector General of the Department of the Treasury was authorized under the Inspector General Act Amendments of 1988, Public Law 100–504, effective on April 16, 1989. That act required the consolidation of the staff and responsibilities for the internal audit functions at the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, and the U.S. Secret Service, with the Department of the Treasury's existing Office of the Inspector General.

The Office of the Inspector General is organizationally independent of all other offices and bureaus within the Department of the Treasury and is under the general supervision of the Secretary of the Treasury or his Deputy. The Office is responsible for (1) the conduct, supervision, and coordination of audits with the Department; (2) the conduct of investigations within the nonlaw enforcement bureaus of the Department; (3) the oversight of investigations in the law enforcement bureaus or the conduct of such investigations, if appropriate; (4) the review of legislation and regulations of the Department; and (5) reporting to the Secretary and the Congress as set forth in the law.

The funds provided in fiscal year 1990 have been transferred out of the accounts of those Treasury bureaus where inspector general functions were provided prior to the enactment of Public Law 100-504. The funding level recommended in fiscal year 1990 provides a staffing level of 1,081 permanent full-time equivalent positions.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriations, 1989	$34,664,000
Budget estimate, 1990	34,158,000
House allowance	34,664,000
Committee recommendation	36,277,000

The Committee recommends an appropriation of $36,277,000 for salaries and expenses of the Federal Law Enforcement Training Center [FLETC]. This amount is $2,119,000 more than the budget request and $1,613,000 more than the House allowance.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting basic and advanced training for Federal law enforcement personnel of the participating organizations. Center personnel conduct the instructional programs for the basic recruit training and also selected portions of the advanced training. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not formal participants under the memorandum of understanding.

In October 1982, the President directed that a national center for State and local training be established as a part of the Federal Law Enforcement Training Center. The major program goals are to present advanced and specialized program offerings and to provide basic technical assistance to State and local law enforcement agencies. Fiscal year 1985 was the first year in which partial funding for this activity was provided in the FLETC appropriation.

Of the increased funding provided in fiscal year 1990, $750,000 is made available to maintain current levels and for purchase of equipment, law enforcement training, and plant operations; $219,000 to cover increased operational costs at the Marana facility; and $1,150,000 for operational costs of the new Artesia facility.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Appropriations, 1989	$20,000,000
Budget estimate, 1990	9,880,000
House allowance	9,880,000
Committee recommendation	20,783,000

The Committee recommends an appropriation of $20,783,000 for acquisition, construction, improvements, and related expenses of the Federal Law Enforcement Training Center. This amount is $10,903,000 above the budget estimate and the House allowance.

The "Acquisition, construction, improvements, and related expenses" account covers major maintenance and facility improvements, construction, renovation, capital improvements, and related equipment at FLETC facilities in Glynco, GA; Marana, AZ; and Artesia, NM.

The Federal Law Enforcement Training Center was established in 1970 as the single interagency training organization for Federal law enforcement agencies. FLETC's concept of Government-wide, consolidated law enforcement training is directed at promoting the highest quality training at the most reasonable cost to the American taxpayer through multiple agency support and use. FLETC, through its principal facility in Glynco, GA, now serves the basic and advanced training needs of over 60 separate Federal agencies.

The Committee notes that the Congress appropriated funds in fiscal year 1988 for the development of a master plan for expansion of FLETC training facilities. This master plan was completed on June 1, 1989, and presented to the Committee in its final form on June 21, 1989. The final plan calls for significant expansion of existing training facilities through a series of renovation and construction projects at all three FLETC facility locations. The total cost to implement the plan is an estimated $86,010,000 for the three facilities at Glynco, Artesia, and Marana. The Committee applauds the fine work of the Center staff in formulating this very comprehensive master plan. In order that the master plan may be implemented in a timely manner to accommodate increased training demands of Federal, State, and local law enforcement agencies, additional funding is required in fiscal year 1990.

The administration's budget request for the Center in fiscal year 1990 includes $9,880,000 for the construction and maintenance costs of one dormitory at the Glynco facility which is expected to accommodate an additional 228 students. While the Committee is pleased with the administration's support for expanded training facilities for FLETC, the Committee is concerned that the budget request is inadequate to permit the Center to provide the training capacity necessary to meet the increasing training demands of all the law enforcement agencies and maintain the facility improvement timetables contemplated in the master plan. Given the tremendous demand for training facilities experienced by FLETC over the last several years coupled with the increase which will occur as a result of the President's enhanced law enforcement initiatives, the Committee recommends an appropriation of $20,783,000 for fiscal year 1990 for completion of design and construction of priority facilities contained in the FLETC master plan. This increased funding will enable the Center to proceed with implementation of the master plan. Below is the list of priority master plan projects which will be funded at the Committee's recommended appropriations level for fiscal year 1990.

Federal Law Enforcement Training Center master plan—Phase I

Phase I projects	
Glynco:	
Physical training consolidation	
Firearms training expansion	$3,769,000
Relocate explosives range	481,000
Driver training expansion	
Cafeteria expansion	
Physical training expansion	3,200,000
Dormitory No. 1	6,400,000
Rifle range	
Road improvements/bus shelter	600,000
Renovate building 66	950,000
Student center phase one	528,000
Vehicle fueling and covered area	200,000
Subtotal	16,128,000
Marana: Driver training ranges and P.E. area	300,000
Subtotal	300,000
Artesia:	
Physical training facility	250,000
Driver/firearms facility	200,000
Firearms ranges	175,000
Practical exercise areas	50,000
Recreation areas	25,000
Walkways	50,000
Architect/engineering services	125,000
Subtotal	875,000
Total	17,303,000

The Committee expects the Center to notify it of changes in the funding requirements for those projects listed above, and to include appropriate estimates in its fiscal year 1991 budget request to continue funding of the master plan. The remaining $3,480,000 is for maintenance of facilities.

As in fiscal year 1989, the Committee has included language in the bill that directs that there be no diminution of advanced or other training at the Marana, AZ, satellite facility of the Federal Law Enforcement Training Center in fiscal year 1990. The Committee strongly believes that the Marana facility can and should be fully utilized in conjunction with the Artesia, NM, FLETC facility, and the main center at Glynco, GA. At the same time, the Committee is concerned that the existing facility at Marana may not be the best for the Federal Government's training requirements from an economic and needs standpoint. The Committee understands that the lease at the Marana facility was just renewed for an additional 3 years. Because of the Committee's concerns about the need to provide the best training facilities available at the lowest long-term cost to the Federal Government, during this 3-year period, the Committee urges FLETC to reevaluate the lease arrangement at Marana and develop a list of alternatives, including continuation of the lease, purchase of the existing facilities, or other financial arrangements at locations in Arizona which would be cost effective and at the same time provide the type of facilities our law enforcement personnel deserve. The FLETC is directed to keep the Committee up to date on the progress it is making in this regard.

REPORTING REQUIREMENTS

The training requirements of Federal law enforcement agencies have risen dramatically over the last several years and have resulted in significantly increased and continuously changing training projections by participating agencies in the FLETC. Due to the lag time that exists from the development of an agency's budget to the final enactment of an appropriations act, it is exceedingly difficult for FLETC to accurately reflect in advance the actual training needs of agencies. Lack of reliable or accurate data has frequently resulted in underfunding of FLETC's training needs. FLETC has developed a procedure that requires its participating agencies to review, refine, and update their training projections semiannually. As in previous years, the Committee directs that the FLETC provide a summary of its semiannual review on training projections to the Committee.

The Committee also is aware that FLETC occasionally has obtained funding for facility modifications and enhancements from a participating agency. Such situations usually arise because a particular agency's requirements are made known to FLETC only after a budget submission or following enactment of an appropriations act for a particular year. It is the Committee's intention that FLETC's appropriation provide for all necessary training facility costs through its budget. However, if unprogrammed training facility improvement needs do arise for which FLETC must obtain agency reimbursement or other means of funding at a level exceeding $50,000, the Committee directs that FLETC provide advance notification to the House and Senate Committees on Appropriations.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Appropriations, 1989	$277,230,000
Budget estimate, 1990	289,695,000
House allowance	289,695,000
Committee recommendation	289,695,000

The Committee recommends an appropriation of $289,695,000 for salaries and expenses of the Financial Management Service [FMS] in fiscal year 1990. This amount is the same as the budget estimate and the House allowance.

The Financial Management Service manages approximately $2,000,000,000,000 in collections and payments annually. In its financial management leadership role, the Service must manage effectively the movement of Federal funds as well as make the optimal use of Federal financial information. By doing so, FMS fulfills an obligation to the public by improving the Federal Government's overall financial position and helping to reduce the Federal deficit.

FMS oversees the Government's overall financial operations through the financial and accounting services it provides to its customers—Congress, other Federal agencies, financial institutions, and the public. The Service's mission involves making over 750,000,000 timely payments each year; effectively managing mechanisms which collect over $1,000,000,000,000 in revenue for the Federal Government; providing leadership, direction, and assistance to Government agencies in the fields of cash management, credit administration/debt collection, and financial systems; overseeing a daily cash flow of over $9,000,000,000; and accounting for and reporting on these activities.

Service responsibilities include: regulation and management of the Government's collection systems; development and implementation of innovative cash management and credit administration practices in the administration of Federal programs; central payment services for all civilian executive agencies except the U.S. Postal Service, U.S. marshals, and certain Government corporations; processing claims on all lost, stolen, and forged checks including those not issued by the Treasury; providing central accounting services for the Government; compiling and publishing financial reports; and managing trust, revolving, and deposit fund accounts. FMS is committed to providing quality service to its customers and will improve its basic operational functions while moving closer to a more substantial leadership role in Federal financial management.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

Appropriations, 1989	$241,000,000
Budget estimate, 1990	245,933,000
House allowance	245,933,000
Committee recommendation	257,565,000

The Committee recommends an appropriation of $257,565,000 for the salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms [ATF] for fiscal year 1990. This is $11,632,000 over the administration's request and the House allowance.

The mission of the Bureau of Alcohol, Tobacco and Firearms is: (1) to reduce the criminal use of firearms and to assist other Federal, State, and local law enforcement agencies in reducing crime and violence by effective enforcement of the Federal firearms laws; (2) to provide for the public safety by reducing the criminal misuse of explosives, combating arson-for-profit schemes, and removing safety hazards caused by improper and unsafe storage of explosive materials; (3) to assure the collection of all alcohol and tobacco tax revenues and obtain a high level of compliance with the alcohol and tobacco tax statutes; (4) to suppress commercial bribery, consumer deception, and other prohibited trade practices in the alcohol beverage industry by effective enforcement and administration of the Federal Alcohol Administration [FAA] Act; and (5) to suppress illicit manufacture and sale of nontaxpaid alcohol beverages.

The Bureau's program objectives are as follows:

Alcohol and tobacco programs.—Ensure the collection of all taxes due; prevent organized crime or other unqualified applicants from obtaining permits to enter the alcohol and tobacco industries; ensure an open, competitive market for alcohol beverages; ensure protection for the consumer in alcohol beverage products; and continue projects on regulatory reform and continue programs offering assistance to other agencies (both regulatory and law enforcement), industry and the public.

Firearms program.—Reduce illegal trafficking in firearms; assist Federal, State, and local law enforcement and regulatory agencies in reducing illegal trafficking in weapons, reducing firearms-related crime, and investigating firearms-related cases; and identify and investigate violence-prone individuals who use firearms in criminal acts.

Explosives and arson programs.—Reduce criminal misuse of explosives; ensure public safety regarding the storage of legal explosives; reduce arson incidents; and assist Federal, State, and local investigative and regulatory agencies in explosives and arson-related areas.

The Committee has provided an additional $5,927,000 as an inflationary adjustment for BATF programs and activities in fiscal year 1990.

FEDERAL ALCOHOL ADMINISTRATION ACT

The Committee recognizes alcoholic beverages as among the most socially sensitive commodities marketed in the United States. In this connection, marketing, labeling, and advertising of alcoholic beverages must be accomplished in an environment which fosters fair and healthy competition while protecting the interests of the American consumer. For this reason, the Committee sees no justification for the administration's proposal to reduce funding and staffing levels for the Bureau's alcohol compliance activities in fiscal year 1990. The administration based its reduced funding needs on the assumption that amendments to the Federal Alcoholic Administration Act would be enacted in fiscal year 1990. Since legislation has not been passed to effect these changes, the Committee has provided an additional $8,000,000 to restore the alcohol compliance program to the fiscal year 1989 level. Unless and until legislation has been enacted to the contrary, the Committee expects the Bureau to continue to implement its statutory responsibilities according to existing law.

The administration's fiscal year 1990 budget also proposes the redirection of 24 full-time equivalent positions and $2,273,000 from alcohol law enforcement activities to firearms law enforcement. While the Committee agrees with the need for increased funding for firearms enforcement activities, it cannot approve the administration proposal to increase firearms programs at the expense of ongoing alcohol enforcement activities. Therefore, the Committee has restored $1,100,000 and 20 full-time equivalent positions for the law enforcement alcohol program. The Committee is seriously concerned about the rising attempts by some in the alcohol community to defraud the Federal Government by falsely identifying labels to reduce the tax consequences. The Bureau should use the funds provided in fiscal year 1990 to increase its investigative work in this area. The Committee expects the Bureau to provide quarterly progress reports on the increased enforcement activities resulting from the funding made available for investigations.

The Committee has also provided an additional $1,095,000 for the replacement of obsolete automated data processing equipment to support BATF tax collection activities.

ARSON

The efforts of the Bureau of Alcohol, Tobacco and Firearms to control arson crime for profit warrant nothing less than unqualified support from the Congress. The investigative techniques and skills brought to arson crime investigations by ATF national response teams greatly enhance the potential for solution of these vicious acts.

COLLECTION OF STATISTICS/INGREDIENT LABELING

The Committee directs the Bureau of Alcohol, Tobacco and Firearms to continue the monthly collection of statistics for the beverage alcohol industry. The Committee finds that any move to disseminate these statistics on a quarterly rather than on a monthly basis will create a vacuum for industry, concerned consumer interest groups, and Federal, State, and local agencies that depend on timely statistics to accurately gauge trends and patterns in their efforts to address industry problems, including alcohol abuse.

The Committee has also included language in the bill which prohibits the Bureau from implementing regulations with regard to ingredient labeling.

Any changes in either of these areas at BATF should be addressed in the appropriate legislative committees of the House and Senate and only after the most careful and serious consideration of the potential consequences for both the alcohol industry and the public.

STAFFING

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS FISCAL YEAR 1990 FUNDING RECOMMENDATION

[In thousand of dollars]

Object class	Fiscal year 1989 continuing resolution	Increases to rollover current level	Fiscal year 1990 requirements 3,701 FTE's	Additional costs for 149 FTE's	Committee recommendation 3,850 FTE's
Personnel compensation	125,793	(1,011)	124,782	5,121	129,903
Personnel benefits	31,184	1,872	33,056	1,743	34,799
Benefits former personnel	66		66		66
Travel	10,700	308	11,008	1,935	12,943
Transportation	1,391		1,391		1,391
Rent/communication/utilities	30,315	1,378	31,693	745	32,438
Printing	1,319	53	1,372		1,372
Other services	17,690	(647)	17,043	100	17,143
Supplies	6,545	350	6,895	739	7,634
Equipment	15,540	878	16,418	3,417	19,835
Insurance	41		41		41
Total	240,584	3,181	243,765	13,800	257,565

ARMED CAREER CRIMINAL APPREHENSION PROGRAM

The Armed Career Criminal Act, signed into law in 1984 and expanded by the Anti-Drug Abuse Act of 1986, provides mandatory sentences for certain violent repeat offenders who carry firearms. The Bureau, given its jurisdiction over firearms laws, has a unique opportunity to effect the apprehension of violent offenders. The success to date of the Bureau's Repeat Offender Program has surpassed initial expectations regarding apprehension, prosecution, and conviction of career criminals. The Committee notes that over 80 percent of the defendants apprehended under this program have direct involvement in illegal narcotics trafficking.

The administration has proposed a total increase of $21,829,000 and 424 full-time equivalents to support the Bureau's firearms compliance and law enforcement activities in fiscal year 1990. Of this amount, $3,029,000 was contained in the President's original budget request and the remaining $18,800,000 was requested as part of the President's Comprehensive Crime Control Act of 1989, dated May 15, 1989. While the Committee supports the President's efforts to expand law enforcement activities of the Bureau, as noted by the Committee in its earlier discussion with reference to alcohol compliance and enforcement activities, the Committee is concerned that the President proposes to achieve his increase for firearms activities by reducing the funding necessary to carry-out current law for alcohol programs. Further, the President's request as part of his crime control package, arrived too late to be considered during congressional debate on the fiscal year 1990 budget resolution. Consequently, the administration now proposes that the increase in the Armed Career Criminal Program be achieved through unspecified reductions in other domestic discretionary programs.

The Committee rejects the administration's budget amendment for BATF included in the crime control package, and instead recommends that additional amounts provided to the BATF be used for higher priority purposes related to firearms control and enforcement activities.

In order to carry out what the Committee considers to be one of our Nation's foremost law enforcement objectives—namely, getting armed career criminals off the streets of our cities and towns—the Committee is providing an additional $13,183,000 and 149 FTE's over the fiscal year 1989 level for the Bureau's firearms compliance and law enforcement activities in fiscal year 1990. This will bring the total FTE staff ceiling for the BATF to a minimum level of 3,850 in fiscal year 1990. Of these additional amounts $4,500,000 and 75 FTE's are provided for the formation of five task forces to be located in high-crime metropolitan areas across the country where there is a growing incidence of firearms violations related to narcotics trafficking. The Committee recommends the following metropolitan areas for the location of these task forces: Los Angeles, New York, Miami, Philadelphia, and Phoenix. These task forces should be modeled after the Washington, DC, demonstration project which began operations in March 1989. That demonstration has been responsible for the arrest of 146 suspects in various narcotics and firearms violations. It has also resulted in the seizure of over 100 firearms, including 14 silencers and 7 machineguns. Further, over a kilogram of narcotics packaged for sale with a net value of approximately $100,000 in drug money was confiscated as a direct result of this very effective demonstration task force in the Nation's Capital. The Committee expects the Bureau to use the task forces to combat organized violent crime groups, such as the Jamaican posses, through cooperative investigations and a coordinated national strategy.

The remaining additional funds and positions should be allocated to inspection and enforcement-related activities to support the continued effort to reduce the number of repeat offenders engaging in criminal firearms violence.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriations, 1989	$1,033,911,000
Budget estimate, 1990	1,031,490,000
House allowance	1,041,490,000
Committee recommendation	1,059,634,000

The Committee recommends an appropriation of $1,059,634,000 for the salaries and expenses of the U.S. Customs Service. This amount is $28,144,000 more than the budget estimate and $18,144,000 over the House level.

The U.S. Customs Service is the primary border enforcement agency and a major revenue producer. Customs administers and enforces the Tariff Act of 1930 and some 400 other provisions of laws and regulations of 40 other Federal agencies governing international traffic and trade. The mission is multifaceted and mandates the Service to:

—Control, regulate, and facilitate the movement of carriers, persons, and commodities between the United States and other nations;

—Protect the American consumer and the environment against the introduction of hazardous and noxious products; and protect American industry and the American worker against unfair competition from foreign manufacturers;

—Assess, collect, and protect the revenue accruing to the United States from duties, taxes, and fees incident to international traffic and trade;

—Detect, interdict, and/or investigate:

Smuggling and other illegal practices designed to gain illicit entry into the United States of prohibited articles, narcotics, and other contraband;

Fraudulent activities calculated to avoid the payment of taxes and fees, or to evade the legal requirements of international traffic and trade;

Illegal transfers of critical technology to foreign nations for the building of their military systems, thus posing a threat to our national security;

Illegal international trafficking in arms, munitions, and currency.

COMMERCIAL OPERATIONS

As noted by the Committee in fiscal year 1989, the duties of the Customs Service to facilitate the legitimate transport of goods being imported into the United States and exported to overseas markets are directly linked to the economic well-being of our Nation. In addition, the revenues derived from the collection of duties, merchandise fees, and other commerce-related services help support Federal deficit reduction efforts. In fiscal year 1989 the revenues collected through the commercial operations activities of the U.S. Customs Service are expected to reach $18,600,000,000. This figure represents a return on investment ratio of 18 to 1.

In fiscal year 1989 the Committee approved a staffing enhancement of 640 additional full-time equivalent positions for Customs commercial operations activities. These positions were added to permit the Service to better respond to the growth in trade affecting all goods coming into or leaving the United States. The Committee notes that this staffing enhancement has resulted in the expedited inspection of commercial goods eligible for entry through our borders. At the same time, this staffing enhancement was responsible for the seizure of record amounts of contraband destined for U.S. markets. For these reasons, the Committee is concerned that the major initiative to enhance commercial operations staffing at the U.S. Customs Service approved by the Congress in fiscal year 1989 would be severely hampered if the administration's proposal to reduce staffing levels by 396 full-time equivalents were to be approved. The Committee sees no merit in the administration's proposal to reduce Federal resources for these programs. While the administration indicates that this funding reduction will have no adverse effect on commercial operations because it will be offset by other productivity savings, testimony received during the fiscal year 1990 budget hearings indicates the reduction will have the opposite effect.

The Committee, therefore, is rejecting the proposed funding reduction for commercial operations activities and instead recommends an increase of $14,300,000 to restore commercial operations staffing to a level of 10,385 full-time equivalent positions in fiscal year 1990.

CARGO CONTAINER EXAMINATIONS

For fiscal year 1990 the administration has proposed a major cargo container examination initiative designed to detect the illegal entry of narcotics or other contraband hidden in commercial shipments entering U.S. ports. The administration's initiative would provide an additional $28,000,000 and 435 full-time equivalent positions for the intensive examination of cargo containers coming from countries and shippers identified as high risk for the transport of illegal contraband. The Committee applauds this long-overdue initiative. Law enforcement personnel have confirmed that the transit of narcotics shipments coming into the United States through large cargo sea containers is presenting a growing threat to U.S. drug control efforts. The initiative, while modest, will help to stem the flow of illegal drugs presently being smuggled into the United States through cargo containers. The Committee has included the full additional amount requested by the administration to support these important inspection and control activities in fiscal year 1990. The Commissioner is expected to report to the Committee on the final allocation of these additional resources amongst the U.S. ports and provide quarterly reports on the achievements being made through these enhanced efforts.

The use of canines for narcotics detection is an effective and proven drug enforcement tool which has been used by the U.S. Customs Service since 1970. Canine enforcement officers are capable of screening large amounts of cargo in short periods of time to permit the release of legitimate cargo while ensuring that no contraband in contained within the shipment. Canines are also useful in detecting narcotics in vehicles, such as campers and other recreational vehicles which are coming into the United States in record numbers from Mexico. With the growing entry of narcotics across our Southwest border, additional canine teams are needed to facilitate cargo and vehicle inspection. The Committee understands that an additional 13 canine teams are included in the cargo examination initiative. Because of the importance of canines in drug detection efforts, the Committee is recommending that of the increased funds made available, an additional 59 teams for the Southwest border be provided in fiscal year 1990. This increase will bring the total level of teams dedicated to the Southwest border to 114 for fiscal year 1990.

MONEY LAUNDERING

An additional $3,000,000, as requested by the administration, has been included in the "Salaries and expenses" account for enhanced money laundering investigations in fiscal year 1990. These investigations will make it possible for the Customs Service to pursue joint initiatives with its foreign counterparts. Customs plans to expand the Customs-to-Customs money laundering investigations network which facilitates expeditious exchange of financial information and promotes cooperative investigations with other nations, such as Italy, Great Britain, and France. This $3,000,000 also provides funding for additional equipment to support Customs operations which target illegal unreported exports of currency for computer system support which is used for analyzing financial data collected for the Bank Secrecy Act. The planned enhancements will better enable Customs to identify and target violators and this information will be shared with other Federal, State, local, and foreign law enforcement personnel to uncover money laundering activities used by drug traffickers.

AIR PROGRAM STAFFING LEVELS

The Committee understands that Customs is experiencing a severe manpower shortage in its air operations program which supports drug interdiction activities. In order to ensure full staff support for air interdiction missions in fiscal year 1990, a level of 960 full-time equivalent positions is necessary. The budget request would support a staffing level of 811. With the new aircraft being delivered to the Customs Service in fiscal year 1989 and with the additional aircraft recommended by the Committee for fiscal year

1990, an increase in the air staffing level to permit the minimum number of air personnel to man air interdiction missions, an additional 149 FTE's is required. The Committee has, therefore, included an additional $13,833,945 in the "Salaries and expenses" account for the hiring, training, and equipping of additional pilots and other aviation-related personnel to allow the Service to achieve a minimum air staffing level of 960 in fiscal year 1990.

SOUTHWEST BORDER FACILITIES IMPROVEMENT PROGRAM

For the third year in a row, the Committee has recommended a major Southwest border facilities improvement program that will continue a multiyear effort to repair, alter, construct, and renovate border stations and other facilities at the ports of entry from California to Texas. The Customs Service, the General Services Administration, the Department of Agriculture, the Immigration and Naturalization Service, and the representatives of the border trade community have developed a list of priority projects which will significantly improve the condition of our border stations, including security and cargo inspection facilities, at a number of ports of entry along the United States-Mexican border. The Committee is pleased that Customs has actively participated in the formulation of the border project priorities and the configuration of the specific border work to be implemented in fiscal year 1989. The Committee expects the Commissioner of Customs to involve his agency in carrying out this third phase of the Southwest border facilities improvement program in fiscal year 1990 and to continue to solicit the views and expertise of the border trade community in developing the proper mix of improvements at the ports of entry.

At the same time, the Committee notes that as these critical border projects reach fruition, they will, in many cases, require additional Customs staff to handle the increased workload at the border. As these projects come on line, the Committee expects the Commissioner of Customs to allocate sufficient additional staff to the ports of entry along the Southwest border to expedite the flow of legitimate cargo, while maintaining a rigorous antidrug and trade enforcement effort along the border. The Customs Service should continue to report periodically to the Committee regarding both the status of the Southwest Border Facilities Improvement Program and the requisite new staffing required at these new and improved facilities.

NORTHEAST CUSTOMS REGIONAL OFFICE, BOSTON, MA

The Committee has included language in the bill prohibiting the U.S. Customs Service from closing or consolidating the Northeast regional Customs office located in Boston, MA. With the adoption of the United States-Canada Free Trade Agreement last year, the Committee is concerned that trade with Canada will increase and trade services in the northeast region of the country will be in more demand than ever. For this reason, the Committee does not want any disruption of services presently provided through the Northeast regional office and has, therefore, included language in the bill prohibiting the use of funds for the reduction of regional Customs offices from the seven which currently exist.

CUSTOMS INSPECTORS, HONOLULU INTERNATIONAL AIRPORT

The Committee believes that the policy of providing part-time and temporary inspectors at the Honolulu International Airport is an effective way to handle the large and increasing volume of passengers arriving and departing this very busy international airport in Hawaii. In fiscal year 1989 the Committee provided an additional $300,000 to address the passenger volume at Honolulu Airport. In fiscal year 1990, the Committee has increased this amount to $500,000 for additional part-time and temporary inspectors at the Honolulu Airport.

The Committee further understands that passenger processing delays will continue without additional permanent full-time inspectors. For this reason, the Committee directs the Customs Service to provide an additional 24 inspectors within its existing allocation for the Honolulu Airport. In order that inspectors are not taken from other priority airports, however, the Committee instructs the Customs Service to consult with the Committee on this reallocation for advance approval.

PORT OF CUSTOMS OFFICE, CHARLESTON, WV

The Committee continues to believe that the services provided through the Charleston, WV, Customs Office are very important to the State of West Virginia and the Nation as a whole. For this reason, the Committee expects the Service to maintain the level of services provided in fiscal year 1989 through fiscal year 1990 at the Charleston office.

FOREIGN TRADE ZONE APPLICATIONS

The Committee is concerned about the Treasury Department's lack of timely and decisive action on several pending foreign trade zone applications including an application from the Muskogee City/County Port Authority in Muskogee, OK. Processing delays have unnecessarily hindered local and regional economic development efforts tied to establishment of a foreign trade zone and the Committee accordingly directs that immediate action be taken on pending foreign trade zone applications.

INTERNATIONAL AIRPORT, SAN JOSE, CA

The Committee is aware of increased service between Mexico and the San Jose, CA, International Airport. The Committee directs that the Customs Service review the requirements of the San Jose airport and report their findings regarding the adequacy of Customs staffing allocations to this airport.

STAFFING

The following table reflects the summary of the Committee's recommended distribution of Customs employment among the various Customs personnel categories for fiscal year 1990:

SUMMARY OF EMPLOYMENT

[Number of average positions]

Principal categories	Fiscal year—		
	Actual 1988	Estimated 1989	Committee 1990
Customs programs:			
Inspectors	5,230	5,613	5,586
Inspection and control program support (includes aides)	961	838	1,040
Import specialists	1,135	1,135	1,135
Laboratory	118	118	118
Trade and tariff program support (includes entry clerks)	1,830	1,570	1,830
Investigations agents	1,592	1,428	1,428
Investigations program support	261	232	282
Aviation interdiction support	751	751	900
Investigators/patrol officers	1,147	1,147	1,147
Trade investigations program support	121	121	121
Intelligence employees	320	287	287
Internal affairs employees	302	211	211
Enforcement support	342	342	342
Operational support	938	938	938
Executive direction and control	863	863	863
Chief and regional counsel	108	108	108
Subtotal	16,019	15,702	16,286
Part-time and temporary average positions	720	720	720
Total average positions	16,739	16,422	17,006

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

Appropriations, 1989	$149,262,000
Budget estimate, 1990	128,128,000
House allowance	125,128,000
Committee recommendation	231,728,000

The Committee recommends an appropriation of $231,728,000 for operation and maintenance expenses of the Customs Air Interdiction Program. This amount is $103,600,000 above the budget request and $106,600,000 more than the House allowance.

The "Operation and maintenance, Air Interdiction Program" account covers expenses incurred by the Customs Service for operating and maintaining the aircraft, radar, equipment, and facilities necessary to carry out the successful mission of air interdiction. This account also includes training, some equipment procurement, leasing, and special operations either directly or indirectly associated with the Air Interdiction Program. This account covers the essential costs associated with operating and maintaining the Army, Navy, and Air Force aircraft and equipment that has been, and will continue to be, loaned to Customs for use in its air interdiction mission.

The Committee has once again included language in the bill which prohibits the transfer of any Customs aircraft outside the Department of the Treasury. The Committee notes that the appropriation language contained in the bill on the transfer of aircraft should not be interpreted or viewed in any way as a limitation on the authority of the U.S. Customs Service to acquire aircraft by means other than commercial purchase. Furthermore, the Committee reconfirms the intent of the Congress in prior years that the

Customs Service is authorized to acquire aircraft through means such as seizure for violations of law and by transfer from other agencies. The Committee has included statutory authority for the Customs Service to continue acquiring seized aircraft that have been confiscated as a result of legal action against a violator of Customs laws and to acquire aircraft and equipment from other Federal agencies, including the Department of Defense.

AIR INTERDICTION STRATEGY

The Anti-Drug Abuse Act of 1988, Public Law 100-690, authorized the establishment of the Office of National Drug Control Policy to direct and coordinate all national drug policy in the United States. The Director of that Office was confirmed by the Senate and assumed the role of "Drug Czar" in February 1989. Section 1007 of that act provides that the National Drug Enforcement Policy Board would cease to exist 30 days after the Director of National Drug Control Policy took office. However, the act stipulates that all strategies and implementation plans would remain in effect "until modified, terminated, superseded, set aside, or revoked by the President or the Director." The Committee notes that the National Drug Enforcement Policy Board [NDEPB] assigned the lead drug air interdiction role to the U.S. Customs Service. That national strategy included a directive that Customs would have primary responsibility for air interdiction and surveillance along the drug-prone Southwest border to address the growing crisis of narcotics trafficking across the United States-Mexico border by private aircraft. Since there has been no modification to the NDEPD's air interdiction strategy by the Office of National Drug Control Policy thus far this fiscal year, and because the National Drug Control Strategy report will not be issued until September, after the Committee concludes debate on the fiscal year 1990 budget, the Committee is recommending the additional funding necessary for the U.S. Customs Service to continue the implementation of the current air interdiction strategy and the role it will assume in conjunction with DOD's implementation of its new responsibility for detection and monitoring of aerial transit of illegal drugs into the United States.

The Customs Service must have additional surveillance, interception, tracking, and apprehension aircraft to interdict the illegal entry of narcotics coming into the United States by general aviation aircraft. The most sophisticated detection aircraft for its long-range surveillance missions are the P-3's, equipped with 360 degree airborne early warning radar [AEW]. The Customs Service has acquired two P-3 AEW's, however the air interdiction strategy calls for a total fleet of four. Furthermore, in its fiscal year 1990 budget request, the administration proposes that two Customs surveillance assets, known as the E-2C's, on loan to Customs Service from the Department of the Navy, be transferred to the Coast Guard. In order to achieve economies of scale, the Customs Service proposed, and the Committee approved, the transfer of the two E-2C aircraft to the Coast Guard in fiscal year 1989. As a result, with the transfer of these two aircraft to the Coast Guard the Customs surveillance capabilities will be further constrained. For this reason, it is critical that Customs acquire, as quickly as possible, additional P-3 AEW's to maintain its air surveillance capabilities. The Anti-Drug Abuse Act of 1988 provided $7,000,000 to the U.S. Customs Service for additional aircraft. The Customs Service obligated these funds in fiscal year 1989 for a down payment on the procurement of a third P-3 AEW. In order to fully fund the acquisition of this third P-3 AEW surveillance aircraft, the Committee is now providing the additional $27,000,000 needed to procure this modified aircraft.

The Anti-Drug Abuse Act also authorized the procurement of additional interception and tracking aircraft to interdict targeted suspect aircraft. The Committee is recommending that an additional $70,000,000 be made available to the Customs Service to acquire additional Citation II interception aircraft modified with F-16 and forward-looking infrared radar [FLIR] in fiscal year 1990.

The Committee is also aware that increasing air support for on-the-ground law enforcement operations by Customs personnel between ports along the Southwest border have required the Customs Service to utilize the Blackhawk apprehension helicopters for support purposes. The Committee believes that Customs has a limited number of these highly sophisticated aircraft and that they should be reserved for tracking and apprehension missions and not for routine purposes. It is pleased that the Service has asked the Department of Defense for use of spare UH-1H helicopters to support on-the-ground drug missions. The Committee is making available an additional $1,000,000 in fiscal year 1990 for refurbishing and operations and maintenance of these helicopters. The Committee instructs the Service to use any savings from the procurement of other aviation assets to provide additional operation and maintenance support for these helicopters. The Committee is also providing an additional $600,000 for the relocation of the Phoenix air branch.

COMMAND, CONTROL, COMMUNICATIONS AND INTELLIGENCE [C^3I] CENTERS

The Committee notes that progress is being made by the Customs Service in the establishment of its two command, control, communications [C^3I] centers to coordinate and disseminate time-sensitive tactical drug interdiction intelligence to both the Customs Service and the Coast Guard drug interdiction forces in the eastern and western sections of the country. Both the C^3I centers at March Air Force Base and Richmond Heights are operational and Customs is continuing to bring on line the basic core systems at the Richmond Heights location. In accordance with a memorandum of understanding between the Coast Guard and the U.S. Customs Service, the Customs Service transferred operational control over the Richmond Heights Center to the Coast Guard on July 1, 1989. The Committee directs Customs to continue to cooperate and coordinate with the Coast Guard and other Federal drug interdiction agencies in the establishment of these C^3I centers and to report to the Committee on a regular basis regarding the status of these critical national drug interdiction facilities. The Committee has provided an increase of $5,000,000 to enhance the operating capabilities of the

C^{3}I centers in fiscal year 1990. The Committee expects the Customs Service to provide a report on how these funds will be expended.

AIR DATA LINK STUDY

The Committee is concerned that over one-half of the U.S. Customs Service aircraft fleet may not be properly equipped to perform up to the fleet's potential against the air smuggler due to the lack of sensor equipment. The Committee is further aware of the high cost of properly equipping each of these aircraft with the appropriate sensors. The Committee directs that the U.S. Customs Service conduct a study on the potential of situational awareness technology [SAT] or similar equipment as a cost-effective substitute to the installation of traditional sensors in each aircraft. The U.S. Customs Service shall, in its study, determine the potential operational effectiveness of SAT or similar equipment, the cost to develop this equipment to an operational status, the risk, and a cost comparison of SAT or similar equipment against current radar/FLIR installation in each uncensored U.S. Customs Service aircraft. The U.S. Customs Service is further directed to provide the results of its study including recommendations to the House and Senate Committees on Appropriations no later than February 1, 1989.

USE OF DEADLY FORCE

The Customs Service shall report to the Committees on Appropriations and the Committees on the Judiciary of the Senate and House of Representatives, to the Senate International Narcotics Control Caucus, and to the Select Committee on Narcotics Abuse and Control of the House of Representatives on the following:

First, all current provisions of law and regulation permitting the use of deadly force during the time of peace by U.S. Customs Service personnel in the performance of their official duties, (a) within the territorial land, sea, and air of the United States, its territories and possessions, and (b) outside the territorial land, sea, and air of the United States, its territories and possessions.

Second, changes, if any, that may be necessary to existing law, regulations, treaty, or executive agreements to permit the U.S. Customs Service personnel to employ deadly force under the following circumstances: (a) to bring down a suspected drug smuggling aircraft which has refused or ignored instructions to land at a specified airfield for Customs inspection after penetrating the territorial airspace of the United States; (b) to halt a suspected drug smuggling vessel on the sea which has been ordered to heave to for inspection by a U.S. vessel or aircraft and has ignored or refused to obey the order; (c) to halt a suspected drug smuggler who has crossed the land border of the United States illegally and who has refused to obey or ignored an order to stop for Customs inspection.

The required report shall be submitted not later than 90 days after the enactment into law of this act.

CUSTOMS FORFEITURE FUND

(LIMITATION ON AVAILABILITY OF DEPOSITS)

Appropriations, 1989	$10,000,000
Budget estimate, 1990	10,000,000
House allowance	10,000,000
Committee recommendation	20,000,000

The Committee recommends an appropriation of $20,000,000 for the Customs forfeiture fund for fiscal year 1990. The Committee recommendation is $10,000,000 above the budget request and the House allowance.

Prior to fiscal year 1985, the costs of handling each seizure had been deducted from the proceeds, if any, from the sale of that seizure. However, in instances where proceeds were not sufficient to cover expenses, Customs had to cover the expenses out of its regular operating budget. The latter situation occurred frequently; by the time the seized property was forfeited, expenses for storage and other miscellaneous charges had exceeded the proceeds of the sale. Moreover, the net proceeds from one sale could not be used to offset the losses incurred from another sale.

To remedy this situation, Congress passed legislation (Public Law 98-573) that authorized Customs to establish a Customs forfeiture fund. Seized and forfeited currency and any proceeds beyond the expenses of seizure and forfeiture of merchandise are deposited into this account. Use of these funds is limited to the following: (1) expenses, including investigative costs, related to seizure; (2) awards to informants; (3) payments of liens related to seizures; (4) equipping any vessels, vehicles, and aircraft for law enforcement purposes; (5) payment of claims of parties of interest to property disposed; (6) purchase of evidence; (7) destruction of drugs; (8) reimbursement to citizens for expenses incurred in cooperating with Customs in investigative and undercover operations; and (9) cost of publicizing the availability of rewards.

The Committee notes that the Anti-Drug Abuse Act of 1988 authorized an increase of $10,000,000 to a total level of $20,000,000 for the Customs forfeiture fund in fiscal year 1990. Because of the benefits the fund provides to State and local governments that cooperate in drug investigations, the Committee has provided the fully authorized amount for this program in fiscal year 1990.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Appropriations, 1989	$1,588,000
Budget estimate, 1990	1,588,000
House allowance	1,588,000
Committee recommendation	2,175,000

The Committee recommends an appropriation of $2,175,000 to allow for Customs services at certain small airports, services to be paid from user fees collected at each of these small airports. This amount is $587,000 over the budget request and the House allowance.

The Trade and Tariff Act of 1984 (Public Law 98–573) authorizes the U.S. Customs Service to impose user fees for services at certain small airports where the volume or value of business is insufficient to justify the availability of customs services. The fee will be equal to the expenses incurred in providing the services.

The legislation authorizes Customs to charge a fee for services at certain designated airports, additional locations to be designated by the Secretary of the Treasury. (The Governor of the State in which such airport is located must also approve the designation.)

Fees which are collected at each airport are deposited into an account within the Treasury of the United States that is specifically designated for that airport. The funds in the account as provided by appropriations acts, will only be available for expenditures relating to the provision of Customs services at each airport including salaries and expenses of personnel employed to provide such services. The Committee's recommendation will authorize an increase in staff by 8 FTE to provide a total level of 30 FTE.

In fiscal year 1990, Customs will continue to provide services for user fees to all previously designated airports and it is expected that eight additional airports will be designated and additional service will be provided at some existing airports during fiscal year 1990.

U.S. MINT

SALARIES AND EXPENSES

Appropriations, 1989	$47,000,000
Budget estimate, 1990	50,735,000
House allowance	50,735,000
Committee recommendation	50,735,000

The Committee recommends an appropriation of $50,735,000 for the salaries and expenses of the U.S. Mint. The Committee recommendation is the same as the House allowance and the President's request.

The Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the Mint. Coins are ordered from the Mint by the Federal Reserve Banks in quantities required for the country's business transactions. Thus, the volume of the Coinage Program is determined by the public need for coins. Funds requested in this budget will permit for production of approximately 19.5 billion coins in fiscal year 1990. This coinage production level represents an increase of 1.5 billion over the amount produced in fiscal year 1989.

The $50,735,000 provided for the Mint in fiscal year 1990 represents a net increase of $3,735,000 over the fiscal year 1989 enacted level of funding. Reductions for nonrecurring costs and savings total $2,211,000, and program increases and increases to maintain current levels total $4,181,000 and $1,729,000 respectively. Program increases have been included for the following activities: $1,505,000 for the increased production of an additional 1.5 billion coins; $1,935,000 for the replacement of deteriorated and obsolete equipment; $385,000 for the removal of asbestos from Mint buildings; $200,000 for building improvements; $131,000 for engineering and support personnel; and $25,000 for the protection of monetary assets.

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing, the world's largest securities manufacturing establishment, operates on the basis of authority conferred upon the Secretary of the Treasury by 31 U.S.C. 321(a)(4) to engrave and print currency and security documents, and additional authority is derived from past appropriations made to the Bureau for work to be undertaken. The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 81-656, August 4, 1950 (31 U.S.C. 5142). This fund is reimbursed by other Government agencies for the direct and indirect cost of the Bureau, including its administrative expenses, incidental to performing the work or services requisitioned.

Public Law 95-81, July 31, 1977 (31 U.S.C. 5142(c)(3)) increased the Bureau's fund, and additionally authorized the establishment of reimbursement prices from customer agencies at a level intended to provide funding for the acquisition of capital equipment and future working capital. This should preclude future requests for appropriations.

The Bureau designs, manufactures, and supplies most of the major evidences of a financial character issued by the United States. It is the sole source of U.S. currency, various public debt instruments, as well as most other evidences of a financial character issued by the United States, such as postage stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps. It conducts extensive research and development programs for improving the quality of products, reducing manufacturing costs, and for strengthening deterrents to the counterfeiting of Government securities. It manufactures inks and plates used for its products; purchases materials, supplies, and equipment; provides maintenance services for its buildings and plant machinery and equipment; and stores and delivers its products in accordance with requirements of customer agencies. The Bureau is responsible for the accountability and destruction of its security waste products. The Bureau also renders services to other Government agencies such as security, custodial, and elevator services in areas of one of its buildings occupied by another Treasury bureau.

The total cost of sales and services by the Bureau of Engraving and Printing is estimated to be $259,000,000 in fiscal year 1989 and $254,000,000 in fiscal year 1990.

The budget estimates are determined primarily by two factors: namely, (1) the volume of production of the various items needed to meet the estimated requirements of customer agencies, and (2) the unit cost of manufacturing each type of item produced. The unit cost of production of each item manufactured is developed through a detailed system of cost accounting and adjusted to reflect all known factors which will affect the cost of production during the current and budget years. Such factors include pay rate and material price increases expected to occur during the current year, as well as estimated savings resulting from improvements in production procedures.

No direct appropriation is required to cover the activities of the Bureau.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriations, 1989	$219,430,000
Budget estimate, 1990	244,316,000
House allowance	219,430,000
Committee recommendation	244,316,000

The Committee recommends an appropriation of $244,316,000 for the Bureau of the Public Debt. The Committee recommendation is the same as the budget estimate and $24,886,000 over the House level.

The Bureau of the Public Debt is responsible for administering the laws and regulations pertaining to public debt financing and operations within the framework of policies established by the Secretary of the Treasury. The Bureau's primary concerns are with the issuance, servicing, and retirement of public debt securities, and accounting for the public debt and its related interest cost. It also has a general responsibility for the conduct or direction of transactions in public issues of those Government agencies for which the Treasury acts as agent.

This appropriation currently provides funds for: the direct operating costs of the Bureau of the Public Debt and the U.S. Savings Bonds Division (a separate organizational entity presenting a separate detailed budget submission); the reimbursement of the Federal Reserve Banks for services performed in their capacity as fiscal agents of the United States; the payment of fees at stipulated rates to financial institutions and others; and the payment of postage and registry fees to the U.S. Postal Service for delivering securities.

SAVINGS BOND DIVISION

The mission of the U.S. Savings Bonds Division is to reduce Federal spending by promoting the sale and retention of U.S. savings bonds. In addition to helping the U.S. Government finance its debts in the least expensive and least inflationary way possible, savings bonds provide Americans with an effective, systematic way to save through the payroll savings plan. The program is also intended to create a partnership of direct participation of American business, labor, banking, media, and community groups, as well as to provide the opportunity for all citizens to voluntarily participate in the financing of their Government.

The funding provided in fiscal year 1990 will allow the Savings Bond Division to sell 9 million bonds totaling an estimated $8,300,000,000.

BUREAU OF PUBLIC DEBT, PARKERSBURG, WV

The Parkersburg, WV, facility directs the U.S. savings bond program and manages the Bureau of Public Debt's computer operations. For the past several years, the Committee has been urging the Department of the Treasury to review the relationship between the Bureau of Public Debt's work force at its facilities in Parkersburg, WV, and Washington, DC, with a view to moving some of the Washington-based functions to Parkersburg in order to make maximum use of existing space and staff at the Parkersburg facility. In response to this concern, the Department of the Treasury has reported that, within the last 3 years, responsibility for encoding millions of documents related to securities transactions have been transferred from Washington to the Parkersburg facility. In addition, the sales, reissue, and redemption functions for savings bonds have been transferred from Washington to Parkersburg; and in June 1987, responsibility for savings bond forms and redemption tables was moved from Washington to Parkersburg. In the areas of administrative and data processing support, the Bureau moved its procurement functions from Washington to Parkersburg in October 1987. Also during 1987, additional positions and functions were assigned to Parkersburg to support the Bureau's data processing program. According to a Department of the Treasury report, an ever-increasing share of the Bureau's total work force is located at Parkersburg. At the close of fiscal year 1984, the Bureau's Washington operations employed 1,229 people, while Parkersburg employed 1,020 or 45 percent of the total work force. At the close of fiscal year 1988, Washington operations employed 585 people and Parkersburg employed 1,107 or 56 percent of the total work force, a reversal of the previous relationship. The Committee is encouraged by these developments and urges the Bureau of the Public Debt and the Department of the Treasury to continue to actively evaluate opportunities and work force shifts to the Parkersburg facility in order to make maximum use of existing space and staff at that facility.

With regard to the concerns expressed by the Committee over the last 2 years regarding excessive mandatory overtime at the Parkersburg facility due to higher than expected workload increases, the Committee is encouraged by Department of the Treasury reports which indicate that 25 positions were shifted from Washington to Parkersburg in 1987 and additional positions were shifted within the Parkersburg operations to the affected division. The reports indicate that, with the cooperation and assistance of the Committee, the Bureau has hired and trained 45 additional staff in fiscal year 1988. The Committee strongly urges the Department to maintain a work force in Parkersburg sufficient to handle the workload, while keeping voluntary overtime at reasonable levels and mandatory overtime to a minimum. The Committee urges that the Department of the Treasury carefully monitor the situation at Parkersburg and continue to provide additional staff resources to adequately deal with the overtime problem. The Committee will expect to receive periodic written reports from the Secretary of the Treasury during fiscal year 1990 regarding the staffing situation at Parkersburg, including progress in carrying out the directives contained in this report. The Committee expects to receive its first report no later than January 15, 1990.

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

Appropriations, 1989	$960,000
Budget estimate, 1990	
House allowance	
Committee recommendation	

The Government Losses in Shipment Act (the act) was approved July 8, 1937, to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment and for other purposes. Since this account was fully capitalized in fiscal year 1989, no additional funding is needed in fiscal year 1990.

INTERNAL REVENUE SERVICE

SUMMARY

The Committee has recommended a total of $5,542,495,000 for the Internal Revenue Service [IRS] in fiscal year 1990. This amount is the same as the budget estimate for the four accounts which fund the Internal Revenue Service.

For fiscal year 1990, the administration has once again proposed a revenue enhancement initiative designed to raise an additional $450,000,000 for deficit reduction purposes in fiscal year 1990. The total additional cost of the revenue initiative is $113,000,000 and the Committee has included the increased funding needed to implement the revenue initiative in each of the three accounts: processing tax returns; examinations and appeals; and investigation, collection, and taxpayer service to implement the proposed revenue initiative.

TAX SYSTEM REDESIGN

Included in the fiscal year 1990 budget request for the IRS is an additional $157,934,000 for automated data processing modernization efforts to support redesign of the antiquated computer systems presently utilized by the IRS. During the fiscal year 1990 budget hearing the IRS Commissioner testified that redesign of the tax system is critical to the sustainment of reliable taxpayer processing and service workloads in the next decade. Additionally, without system redesign, the Committee is told that the current computer capacity will be full by 1994. In order to ensure that these very important automated data processing activities stay on a steady course of development and completion, the Committee has earmarked specific amounts in each of the IRS accounts which contain funding strictly for tax redesign purposes. Because of the importance of these tax redesign projects to the overall functional well-being of our Nation's tax system well into the future the Committee has included language in the bill stipulating that no funds provided for tax redesign activities may be reprogrammed from these accounts without the advance approval of the House and Senate Committees on Appropriations.

SALARIES AND EXPENSES

Appropriations, 1989	$87,165,000
Budget estimate, 1990	72,382,000
House allowance	72,382,000
Committee recommendation	72,382,000

The Committee recommends an appropriation of $72,382,000. The Committee recommendation is the same as the budget request and the House level.

The salaries and expenses appropriation provides funding for policy formulation and executive direction of the Internal Revenue Service, for management services, and for the centralized direction of activities which perform independent reviews of operations and protect the integrity of the Service. The appropriation consists of two activities: executive direction and management services.

The executive direction activity is composed of the following national office components: the Commissioner of Internal Revenue, the Senior Deputy Commissioner, Deputy Commissioner (Operations), Deputy Commissioner (Planning and Resources), and their immediate offices, including an executive secretariat, public affairs, the Equal Employment Opportunity Program, the taxpayer ombudsman and the staff of Assistant to the Commissioner (Legislative Liaison); the Chief Counsel, Deputy Chief Counsel, and immediate staff; and the immediate Office of the Assistant Commissioner (Inspection).

The Commissioner and Senior Deputy Commissioner establish the policies and objectives of the Internal Revenue Service and direct the IRS's activities toward accomplishment of these objectives. The Deputy Commissioners serve as the Commissioner's principal advisers on policy matters affecting operations, management, and data processing. The Chief Counsel advises and assists the Commissioner on legal matters affecting the IRS's appeals, tax litigation, and ruling programs. The Assistant Commissioner (Inspection) directs internal audit and internal security programs designed to protect IRS integrity.

The management services activity develops and provides servicewide policy for managing the human, logistical, and financial resources needed to fulfill the IRS's tax administration mission in a cost-effective manner. The following programs are included under management services: personnel and training, logistics, planning, budget and accounting, payroll and management information, tax and operational research and development, administration of regulations governing the practice of representatives before the Internal Revenue Service and the Bureau of Alcohol, Tobacco and Firearms, physical security, and design, printing, and distribution of tax forms and instructions.

PROCESSING TAX RETURNS

Appropriations, 1989	$1,740,353,000
Budget estimate, 1990	1,946,003,000
House allowance	1,953,446,000
Committee recommendation	1,946,003,000

The Committee recommends an appropriation of $1,946,003,000 for processing tax returns. This amount is the same as the fiscal year 1990 request and $7,443,000 under the House allowance.

The processing tax returns appropriation provides funding for two activities: returns processing and revenue accounting, and computer services.

The returns processing and revenue accounting activity provides resources to process tax returns, account for tax revenues, issue refunds and notices, and process information returns for the Document Matching Program. Processing performed by this activity is basic for tax administration and provides necessary input to almost all other IRS programs. Funding is contained in this activity for the National Computer Center, the 10 IRS service centers, and for preparation of required statistical information on income and other aspects of the tax system. This activity includes the Office of the Assistant Commissioner (returns and information processing), the Returns Processing and Accounting Division in the national office, and the counterpart assistant regional commissioners in the seven regional offices.

The computer services activity provides the primary support for servicewide data processing requirements. The activity includes the Office of the Assistant Commissioner (computer services) and the Office of the Assistant Commissioner (tax system redesign). The activity's responsibilities include the long-term redesign of the tax administration system involving the procurement and implementation of a modernized, cost-efficient tax system, featuring up-to-date ADP hardware, software, file structure, data communications, and security. Support provided by this activity includes comprehensive developmental data processing support for most service programs, including the evaluation, development, and implementation of computer systems, software, and hardware requirements. Almost two-thirds of the resources devoted to ADP and information technology are included in this appropriation, with the balance allocated to the other three operating accounts.

TAX OVERPAYMENTS

The Committee is concerned with revelations that in some instances the Internal Revenue Service discovered taxpayer payments in excess of actual tax liability but failed to notify taxpayers of the overpayment and provide a timely refund of such overpayment. The Committee, therefore, directs the Internal Revenue Service to notify a taxpayer in any case examined by IRS under its information returns program if there is a potential refund of $5 or more as a result of a withholding discrepancy between what was reported on the income tax return and any information returns.

EXAMINATIONS AND APPEALS

Appropriations, 1989	$1,932,441,000
Budget estimate, 1990	1,911,301,000
House allowance	1,911,301,000
Committee recommendation	1,911,301,000

The Committee recommends an appropriation of $1,911,301,000 for examination and appeals activities in fiscal year 1990, which is the same as the budget estimate and the House total.

The examination and appeals appropriation provides funding for four activities: examination, appeals and tax litigation, employee plans and exempt organizations, and international.

The examination activity is the Service's primary program for determining taxpayers' correct income and tax liability. To do this, the Service examines taxpayers' books and records to verify reported income and deductions, uncover unreported income, and validate exemptions and credits. This activity includes: the Office of the Assistant Commissioner (examination) at the national office, the offices of the assistant regional commissioners (examination), and examination personnel in district offices and service centers.

The appeals and tax litigation activity is primarily involved with those cases in which taxpayers disagree with examination results. The appeals function provides an independent administrative review with the objective of reaching impartial settlement. Appeals activities are performed in 7 regional directors of appeals offices and 44 other appeals offices under the functional direction of the national office Appeals Division within the Office of the Chief Counsel. For those cases that cannot be resolved through the appeals process, the tax litigation function represents the Service. Tax litigation activities are performed in 7 regional counsel offices and 53 district counsel offices under the functional direction of the national office Tax Litigation Division within the Office of the Chief Counsel.

The employee plans and exempt organizations activity is responsible for maintaining compliance with certain tax laws by monitoring employee pension plans, by determining the qualifications of organizations seeking tax-exempt status, and by examining the returns of exempt organizations. The employee plans function is mainly staffed at seven key districts and several associate districts with managerial and program development staff in regional offices and at the national office. The exempt organizations function, which monitors organizations exempt from Federal income tax, funds auditors in district offices along with managerial and program development staff in regional offices and at the national office. Functional supervision for both programs is provided by the Assistant Regional Commissioner (examination) in each region and by the Assistant Commissioner (EP/EO) in the national office.

The international activity is responsible for directing IRS enforcement and assistance programs as they relate to U.S. taxpayers performing business or residing outside the continental United States and nonresident aliens with U.S. tax obligations.

This activity also provides technical tax training and administrative assistance to foreign governments and provides compliance and taxpayer service support to Puerto Rico, the Virgin Islands, and certain Pacific island jurisdictions.

In conjunction with the Assistant Commissioner, International, the International Counsel identifies and resolves international tax issues, provides timely guidance to field offices through program assistance, as well as taxpayers and tax practitioners through the rulings and regulations program.

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

Appropriations, 1989	$1,434,921,000
Budget estimate, 1990	1,612,809,000
House allowance	1,620,252,000
Committee recommendation	1,612,809,000

The Committee recommends an appropriation of $1,612,809,000 for investigation, collection, and taxpayer service activities in fiscal year 1990. The Committee recommendation is the same as the budget request and $7,443,000 under the House allowance.

FUNCTIONS UNDER THIS ACCOUNT

The investigation, collection, and taxpayer service appropriation provides funding for four activities: tax fraud investigations, collection, taxpayer service, and enforcement litigation and technical.

The tax fraud investigations activity is responsible for investigating criminal violation of the Internal Revenue laws. This activity includes: the Office of the Assistant Commissioner (criminal investigation) at the national office, the offices of the assistant regional commissioners (criminal investigation), and enforcement personnel in district offices and service centers.

The collection activity provides for collecting unpaid accounts, as well as securing unfiled tax returns and payments. Collection personnel in district offices and service centers are funded under this activity, as are managerial and program formulation personnel in the national office and in regional offices.

The taxpayer service activity provides information and assistance to taxpayers to help them comply with the tax laws. Funded are personnel in the district offices who have direct contact with taxpayers, along with managerial and program development staff in the national office and in regional offices.

The enforcement litigation and technical activity provides legal support for the tax fraud and collection functions, prepares and reviews proposed legislation and regulations, interprets tax statutes, and provides general legal advice within the Service. Legal and support staff in this activity are in district and regional offices and in the national office.

TAX COUNSELING FOR THE ELDERLY

The Committee once again believes that the Tax Counseling Program for the Elderly has proven to be most successful. To meet the goals of this program, $3,000,000 is included within the aggregate amount recommended by the Committee for investigation, collection, and taxpayer service in fiscal year 1990. This amount will allow the program to address the problems among taxpayers which will undoubtedly occur in the aftermath of the Tax Reform Act of 1986. To insure that the full effect of the program is accomplished, the IRS is directed to cover administrative expenses within existing funds.

IRS COMPUTING CENTER, MARTINSBURG, WV

The Committee has been advised that the Internal Revenue Service [IRS] has concluded a study of the role of the IRS Computing Center in Martinsburg, WV. Preliminary indications are that an expansion of the Martinsburg Computing Center will be in the form of an annex containing approximately 65,000 square feet which is expected to satisfy the computing requirements of the IRS for approximately the next 10 years. The new facility will handle corporate on-line processing which is the base of the tax system redesign. Staffing at the facility is expected to remain relatively stable in 1990 at approximately 670 positions, with a proposed budget of $29,300,000. For 1991 and future years, staffing is expected to increase as its role in corporate on-line processing is expanded. The Committee has been informed by the General Services Administration [GSA] that it is awaiting a request from the IRS to begin its work on the new annex. The Committee expects to be kept fully informed of the implementation of the construction plans for this facility and urges the IRS and the GSA to work closely together toward completion of the facility. The Committee requests a report by January 1, 1990, on the progress being made, including significant milestone events and quarterly reports thereafter.

With respect to the other two projects at Martinsburg—the National Training Center and the warehouse—the Committee understands that their completion is now scheduled for September 1989. The Committee expects to be kept fully informed of the progress being made in the construction of these facilities and to be apprised of such progress through bimonthly reports.

IRS—ADMINISTRATIVE PROVISIONS

The Committee has concurred with the House in recommending approval of two requested administrative provisions for the Internal Revenue Service.

First, the Committee has concurred with a provision that authorizes IRS to transfer up to 4 percent of any appropriation made available to the agency in fiscal year 1990, to any other IRS account, with the advance approval of the House and Senate Committees on Appropriations. Second, the Committee has concurred with the House in recommending that up to 15 percent, or $15,000,000, whichever is greater, of any appropriation made available to the IRS next fiscal year be available for the Service's document matching program. This is an important element of the agency's overall tax enforcement responsibilities.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Appropriations, 1989	$357,500,000
Budget estimate, 1990	368,401,000
House allowance	371,401,000
Committee recommendation	360,785,000

The Committee recommends the appropriation of $369,785,000 for the U.S. Secret Service. The Senate proposal is $7,616,000 below the budget estimate and $10,616,000 under the House allowance.

SECRET SERVICE FUNCTIONS

Investigations, protection, and uniformed activities.—The Service must provide for the protection of the President of the United States, members of his immediate family, the President-elect, the Vice President, or other officer next in the order of succession to the Office of the President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection; protection of the person of a visiting head and accompany spouse of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of the person of a former President and his spouse during their lifetime, the protection of the person of a spouse of a former President until their death or remarriage, and minor children of a former President until they reach 16 years of age, unless such protection is declined. The Service is also responsible for the detection and arrest of persons engaged in counterfeiting, forging, or altering of any of the obligations or other securities of the United States and foreign governments; the investigation of thefts and frauds relating to Treasury electronic fund transfers; fraudulent use of debit and credit cards; fraud and related activity in connection with Government identification documents; computer fraud; food coupon fraud; the investigation of personnel, tort claims, and other criminal and noncriminal cases.

The Secret Service Uniformed Division protects the Executive Residence and grounds in the District of Columbia; any building in which White House offices are located; the President and members of his immediate family; the temporary official residence and grounds of the Vice President in the District of Columbia; the Vice President and members of his immediate family; foreign diplomatic missions located in the Washington metropolitan area; the Treasury Building, its annex and grounds, and such other areas as the President may direct on a case-by-case basis.

Other security programs.—This activity maintains control of all no-year funding required for the Secret Service in order to complete projects which encompass more than 1 fiscal year. In fiscal year 1990 the Service is requesting a total of $2,100,000 for this activity to further support its protective efforts through several technical security projects.

The Committee's intends that the $7,616,000 reduction from the President's request be taken from the consolidation of the Secret Service Headquarters Building in Washington, D.C. The Committee has learned that the plans to relocate the National Science Foundation from its present quarters at 1800 G Street may not occur until fiscal year 1991. As a result, the funds requested by the Service in fiscal year 1990 to expand and consolidate office space at 1800 G Street will not be needed in fiscal year 1990. However, the Committee wants to underscore the importance of this consolidation effort and state its strong support for streamlined space utilization for the Service at its present location. The Committee expects the needed funds for consolidation to be requested by the Service to undertake these activities in fiscal year 1991.

The following summary table indicates the staffing levels that will be authorized under the appropriation level recommended by the Committee:

SUMMARY OF EMPLOYMENT

[Number of average positions]

Principal categories	Actual 1988	Estimated			Increases/decreases for 1990	
		1989	1990	Total	Program increases	Other changes
Special agents	1,902	1,946	1,946			
U.S. Secret Service Uniformed Division (officers only)	978	1,017	1,095	78	78	
All other	1,303	1,335	1,395	60	63	−3
Total	4,183	4,298	4,436	138	141	−3

DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS

The Committee recommends that three general provisions included in the House bill, which have been carried in previous appropriations acts, be again carried in the Senate bill without change. The provisions do the following:

Section 101 authorizes certain basic services within the Treasury Department in fiscal year 1990, including purchase of uniforms; maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; and contracts with the Department of State for health and medical services to employees and their dependents serving in foreign countries.

Section 102 establishes certain codes of conduct for employees of the Internal Revenue Service in carrying out their tax collection duties.

Section 103 authorizes the transfer of up to 2 percent of any appropriations for Treasury between such appropriations, subject to advance approval by the Committee on Appropriations of the House and Senate.

The Committee recommends the inclusion of three additional general provisions which were not included in the House bill. Those provisions do the following:

Section 104 authorizes the Financial Management Service, effective beginning in fiscal year 1991, to receive full and direct reimbursement from the Social Security trust funds for services it provides to the Social Security Administration. Direct reimbursements from the trust funds will cover the direct costs of postage for the mailing of Government checks as well as the direct costs incurred by FMS for the issuance and reconciliation of benefit payments made pursuant to the trust funds. Currently, these expenses are borne by the FMS without reimbursement; payments instead are made directly to the general fund of the U.S. Treasury. With this direct reimbursement approach, FMS will be better equipped to formulate its fiscal plans as the year progresses for funding needed to cover the costs for Social Security services. This streamlined approach will also permit FMS to manage its activities without having to forecast far into the future the appropriations needed to pay for the Social Security services.

Section 105 authorizes the Secretary of the Treasury to transfer an aircraft forfeited to the United States to the Arizona Health Sciences Center in Tucson, AZ, for medical and emergency services.

Section 106 restricts to $22,640,000 the amount of funds appropriated by this act that may be obligated or expended by the Department of the Treasury for the procurement of advisory or assistance services.

TITLE II—U.S. POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 1989	$436,417,000
1990 budget estimate	459,755,000
House allowance	459,755,000
Committee recommendation	429,755,000

The Committee has recommended an appropriation of $429,755,000 in fiscal year 1990 for payment to the Postal Service fund. This amount is $30,000,000 below the request and the House allowance.

The Committee notes that the President's budget request was predicated on the enactment of legislation which would eliminate all subsidized mailings except for free mail for the blind and overseas absentee voters. The administration's legislative proposal has not yet been submitted to the Congress for consideration. Until such legislation has been enacted into law, the Committee has no choice but to provide the funds necessary to continue Federal subsidies for certain categories of mail, as authorized by law.

While the Committee continues to support the subsidization of what it considers to be legitimate mailings for the benefit of nonprofit making entities under the provisions of the Postal Reform Act, nonetheless, the Committee shares some concerns about what it considers to be abuses in the revenue forgone program which place the legitimate use of subsidies for legitimate mailings in jeopardy. The Committee believes that the use of nonprofit bulk mailings to advertise articles, products, travel, financial, insurance or other services clearly for the benefit of commercial profitmaking purposes, particularly where such services have no relation to the nonprofit organization's primary mission, are improper uses of the preferred mailer status and costly to all taxpayers. For this reason, the Committee has included language in the bill which eliminates the use of the nonprofit mailer permit for these purposes. The Committee recognizes that there are certain nonprofit organizations which provide travel, insurance, and financial services to support the purposes for which the nonprofit organization was originally established. Under the language included in the bill, these organizations will continue to be allowed to use their mailers to promote those services. For example, organizations such as Elderhostel, the Christian Appalachian Project and others which offer products or services to its members which are directly related to the missions of these organizations, will be unaffected by this language change. The Committee's intent is to eliminate the use of the mailer permit where there are clear inconsistencies between the services offered and the primary purpose for which the organization was established.

The $30,000,000 reduction in the revenue forgone payments is the estimated savings which will be achieved as a result of this change in law. This reduction will not have an effect on the rates provided for other classes of subsidized mail.

The following table reflects the effect on subsidized mail rates of the President's budget estimate and the appropriation levels discussed by the Committee:

PRELIMINARY PREFERRED PRICE LEVELS—FISCAL YEAR 1990 ILLUSTRATIVE EXAMPLES [1]

Class of service	Appropriation amount in cents		Percent change
	$429 million (Step 16)	Unsubsidized rates (approximately)	
Second-class publications:			
In-county	5.6	7.3	31
Nonprofit	9.8	12.6	29
Classroom	14.5	18.4	28
Science of agriculture	13.4	13.8	3
Third-class nonprofit:			
Carrier route presort	5.3	8.3	57
Presorted to five digits	7.6	10.6	38
Required presort	8.4	11.6	38
Fourth-class library rate	87.0	92.0	6

[1] See illustrative examples below.

DESCRIPTION OF ILLUSTRATIVE PREFERRED RATE EXAMPLES

SECOND-CLASS PUBLICATION

- In county:
  - Rural newspaper:
    - Frequency: Weekly
    - Weight: 4 ounces
    - Advertising: 50 percent
    - All delivered in county
    - Presorted to carrier route
- Nonprofit:
  - Veterans' magazine:
    - Frequency: Monthly
    - Weight: 4 ounces
    - Advertising: 20 percent
    - New York to Chicago
    - Presorted to five digits
- Classroom:
  - Classroom publications:
    - Frequency: Weekly
    - Weight: 12 ounces
    - Advertising: 15 percent
    - New York to Chicago
    - Thirty-two copies per piece
- Science of agriculture:
  - Rural agricultural newspaper:
    - Frequency: Weekly
    - Weight: 4 ounces
    - Advertising: 50 percent
    - Within 150 miles of entry
    - Presorted to five digits

THIRD-CLASS NONPROFIT

- Fundraising letter:
  - Weight: ¾ ounces
  - Nationwide distribution
  - Carrier route presort
  - Presorted to five digits
  - Required presort

FOURTH-CLASS LIBRARY RATE

- Book between libraries:
  - Weight: 2 pounds
  - New York to Chicago

PUBLIC SERVICE SUBSIDY

The Committee notes that the Postal Service requested no funds for public service costs specified in the Postal Reorganization Act of 1970. Appropriations for public service costs were initially authorized by Congress in the act of 1970 to provide for "a maximum degree of effective and regular postal services nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere." The Committee has not provided any funding to cover these public service costs in fiscal year 1990. However, the Committee has concurred with the House by including provisions in the bill that would: assure that mail for overseas voting and mail for the blind shall continue to be free; that 6-day delivery and rural delivery of mail shall continue at the 1983 level; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 1990. These are services that must be maintained in fiscal year 1990 and beyond. The Committee believes that, despite the lack of public service appropriations, these critical postal services are the linchpin of services that the public deserves and expects.

NONFUNDED LIABILITIES OF FORMER POST OFFICE DEPARTMENT

Appropriations, 1989	
Budget estimate, 1990	$36,942,000
House allowance	36,942,000
Committee recommendation	36,942,000

The Committee recommends an appropriation of $36,942,000 for nonfunded liabilities of the former Post Office Department. This amount is the same as the budget estimate and the House allowance.

Pursuant to 39 U.S.C. 2004, an annual appropriation is required to provide compensation to postal employees for injuries which occurred prior to July 1, 1971, while employed by the Post Office Department. The Postal Service share of the costs for compensation payments billed to it by the Department of Labor in the latest fiscal year is $36,942,000. All Federal agencies meet their responsibilities, as required by Public Law 93-416, by reimbursing the Labor Department the appropriate amounts. Requiring all agencies to budget for workers compensation costs focuses their attention on promoting safer and healthier workplaces for their employees and helps assure that they effectively manage their claims to get people back to work as quickly as possible.

CHILD CARE FACILITIES

This Committee, sensitive to the needs of Federal workers and their families, recognizes the positive impact that provision of child care has on the work force. Available child care, including on- or near-site facilities, has been shown to increase productivity, improve recruitment, boost morale, and reduce absenteeism and job turnover. This Committee has demonstrated its commitment to addressing this need of working parents in the workplace by passage of Public Law 99-190 to allow for space in Federal buildings to be converted and used for child care. This commitment is further evidenced in the one-time only appropriations of $20,000 to start up the on-site child care center for children of U.S. Senate employees.

In an ongoing effort to improve the quality of life for Federal and postal employees, the Committee directs the Postal Service to study and report back to the Committee, no later than April 30, 1990, its findings on the need, feasibility, desirability and costs associated with establishing child care facilities at or near the place of work for U.S. Postal Service employees similar to current General Services Administration law. The report should include a survey of postal employees' interest in child care. It should identify, by region, the postal installations that employ 500 plus postal employees, and designate those that have space and the need for a child care center. In addition, it should include plans that are being made to designate space in current and future facilities for child care centers.

MARYLAND POSTAL FACILITIES

The Committee is aware of the particular postal problems in Maryland that have developed as a result of extremely high growth in Prince Georges County. The Committee is also acutely aware of the limits placed on the Postal Service's capital budget. At the same time, the Committee believes that the Service should make every effort to move forward expeditiously on new facilities in fiscal year 1990 within the National Capital region. The Committee also expresses the view that construction of new postal facilities should display appropriate aesthetic qualities and be compatible, to the extent economically feasible, with the surrounding development. The Committee expects a report from the Postal Service on its progress in this effort by February 1, 1990.

WEST VIRGINIA POSTAL FACILITIES

The Committee continues to consider early construction of planned postal facilities in Clarksburg and Charleston, WV, to be a priority concern. Early construction of these two projects will provide much needed jobs, avoid the costs of inflation associated with delayed construction, and provide modern, updated facilities for use by Postal Service personnel in West Virginia. Last year, the Committee urged the Postal Service to redouble its efforts to accelerate these two projects. The Committee is gratified to have received notice from the Postmaster General, in response to the Committee's concern, that the construction schedule for the Clarksburg project is being accelerated. The Postmaster General now projects the $17,800,000 Clarksburg General Mail Facility and Vehicle Maintenance Facility project to be funded in fiscal year 1990 with a construction award to be made in October 1989. The Committee expects to be kept fully informed of the implementation of the construction plan for this project and to receive a report from the Postal Service, including significant milestone events leading to the timely completion of the project, no later than January 31, 1990, and quarterly progress reports thereafter.

With respect to the Charleston, WV, postal facility, the Postal Service, in its testimony before the fiscal year 1990 Treasury, Postal Service Appropriations Subcommittee, stated that the Charleston facility is a high priority project in the eastern region and that project planning is in the final stages. It was further stated that the Postal Service had purchased a site to be used for a parking garage for postal patrons and employee vehicle parking in the event an expansion alternative to the existing facility is determined feasible. Moreover, testimony indicated that if the Postal Board of Governors approves the project in October 1989, initial building design would start in 1990 and award of a construction contract would occur in 1991. The Committee also received a report on January 27, 1989, that an additional alternative—constructing an annex—was also being considered. The Committee has now been advised by the Postal Service that it has not yet completed negotiations for the purchase of land for the construction of an annex (the second alternative), and that the schedule for the options to be considered by the Postal Service Board of Governors has been delayed as a result. The Postal Service also advises the Committee that there are no funds budgeted for the Charleston, WV, facility expansion project until fiscal year 1991. The Committee is very much concerned about these apparent revisions in the Postal Service's planning for the Charleston facility and directs the Postal Service to accelerate its plan for the facility and to report to the Committee no later than January 1, 1990, on the final plan for the facility, whether expansion of the existing facility or construction of an annex, including the size of the facility, a full description of what operations it will house, numbers of staff employed, and significant milestone events leading to its construction completion. The Committee further expects to receive progress reports on a regular basis on the Charleston facility and other construction projects throughout West Virginia.

The Committee strongly recommends that the U.S. Postal Service maintain the outgoing mail processing operations in the Parkersburg Post Office of West Virginia, in the same manner and to the same extent as such operations were in effect on July 1, 1989, and directs the U.S. General Accounting Office to examine the proposed transfer of outgoing mail processing operations in Parkersburg.

GENERAL PROVISIONS

The Committee has included a general provision contained in the House-passed bill which does the following:

Section 1 prohibits the U.S. Postal Service from expending any funds to enter into any new contracts relating to the Westchester County, NY, General Mail Facility for a period of 90 days.

The Committee has stricken the following provision included in the House-passed bill:

Section 2 requires full postal service at the Holly Springs Postal Building in Holly Springs, MS.

The Committee has also included a new provision not contained in the House-passed bill as follows:

Section 3 prohibits the use of nonprofit mailers for certain advertising purposes.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

SUMMARY

The President's fiscal year 1990 budget request for the 13 Executive Office of the President [EOP] accounts funded in this bill totals $283,648,000, $170,338,000 above the total fiscal year 1989 appropriations level. These 13 accounts include: Compensation of the President, Office of Administration, the White House Office, the Executive Residence at the White House, the Official Residence of the Vice President, the Council of Economic Advisors, the Office of Policy Development, the National Security Council, the National Critical Materials Council, the Office of Management and Budget, the Office of Federal Procurement Policy, and the Office of National Drug Control Policy. No funding is requested for the White House Conference on Drug-Free America for fiscal year 1990. The only three EOP accounts not included in this bill are the Council on Environmental Policy, the Office of Science and Technology Policy, and the U.S. Trade Representative. For the EOP accounts included in this bill, the Committee recommends a total funding level of $132,023,000 for fiscal year 1990, $151,625,000 below the total funding level requested by the President.

COMPENSATION OF THE PRESIDENT

Appropriations, 1989	$250,000
Budget estimate, 1990	250,000
House allowance	250,000
Committee recommendation	250,000

The fiscal year 1990 budget request for compensation of the President is $250,000. This amount includes $200,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a $50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee concurs with the House in recommending the full budget request of $250,000 for compensation of the President.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 1989	$18,350,000
Budget estimate, 1990	18,325,000
House allowance	18,325,000
Committee recommendation	18,825,000

The Committee recommends an appropriation of $18,825,000. The Committee recommendation is $500,000 over the budget estimate and the House allowance.

The Office of Administration [OA] was created by Reorganization Plan No. 1 of 1977 and formally established by Executive Order 12028. The purpose of the Office of Administration is to provide common administrative support and services to all agencies within the Executive Office of the President [EOP] and upon request, services in direct support of the President. These EOP agencies include: Council of Economic Advisers; Council on Environmental Quality—including the Office of Environmental Quality Management Fund; Office of Policy Development; National Security Council—President's Foreign Intelligence Advisory Board, President's Intelligence Oversight Board; Office of Administration; Office of Management and Budget; Office of Federal Procurement Policy; Office of Science and Technology Policy; Office of the United States Trade Representative (with a branch office in Geneva, Switzerland); Office of the Vice President; White House Office; National Critical Materials Council; and Official Residence of the Vice President.

The Office of Administration is composed of five functional divisions which are: Personnel Management Division; Financial Management Division; Administrative Operations Division; Library and Information Services Division; and the Information Resource Management Division.

The services provided by these divisions are personnel management which includes recruitment, classification, training, and administration of equal employment opportunity programs; financial management, which is responsible for accounting, budget, payroll, travel, and imprest fund; administrative operations, which provide mail and messenger, printing, graphics, document preparation, procurement, and supply services; the library, which gives support for information services including records management along with maintenance of all periodicals, books and microform; and the Automated Systems Division, which provides all systems development, computer operations, and related support services.

As requested by the administration, the Committee is approving an increase in the fiscal year 1990 authorized staffing level of 10 full-time permanent positions for a total level of 207 full-time equivalent positions in fiscal year 1990. The increase in the staff ceiling is necessary to allow the Office of Administration to provide in-house staff support for the Executive Office of the President Computer Center. This increase will not require additional costs as funds presently budgeted for commercial vendors through contract will be used to cover the costs of providing these services in-house in fiscal year 1990.

WHITE HOUSE CONFERENCE ON INDIAN EDUCATION

Public Law 100-297, the Indian Education Act Amendments of 1988, directs the President of the United States to call and conduct a White House Conference on Indian Education between September 1989 and September 1991 to explore the stated purposes of the act. The Committee has included an additional $500,000 in the "Office of Administration" account for the Conference. The Office of Administration should identify the Office of Intergovernmental Affairs as the White House coordinating contact for the Conference. However, the funds made available should be disbursed in equal amounts to the Department of Education and the Department of the Interior for the administration of the Conference and any activities related thereto as provided in Public Law 100–297.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Appropriations, 1989	$27,950,000
Budget estimate, 1990	30,639,000
House allowance	30,639,000
Committee recommendation	30,639,000

The Committee recommends an appropriation of $30,639,000 for the White House Office. The Committee recommendation is the same as the budget estimate and the House allowance.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. This funding level will provide for full-time permanent positions. Public Law 95–570 authorized appropriations for the White House Office and codified the activities of the White House Office.

In fiscal year 1990, the administration submitted a budget amendment dated July 6, 1989, which requests an additional $2,000,000 over the original budget estimate to accommodate the increased activity by President Bush, as well as to provide funding to upgrade antiquated computer systems within the White House Office. The Committee has provided the additional funds requested by the President for increased travel costs, an additional 15 full-time permanent staff positions for the new Office of National Service, and office automation equipment to replace antiquated data processing systems.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Appropriations, 1989	$5,698,000
Budget estimate, 1990	6,773,000
House allowance	6,773,000
Committee recommendation	6,898,000

The Committee recommends an appropriation of $6,898,000 for the Executive Residence at the White House. The Committee recommendation is $125,000 over the budget estimate and the House allowance.

These funds provide for the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electrical power and fixtures, of the Executive Residence.

The Executive Residence staff provides for the operation of the Executive Residence. A staff of 39 domestic employees accomplish general housekeeping, prepare and serve meals, greet visitors, and provide services as required in support of official and ceremonial functions. A staff of 33 tradespersons, including plumbers, carpenters, painters, on a single shift; electricians on a double shift; and operating engineers on a 24-hour basis, maintains and makes repairs, minor modifications, and improvements to the 132 rooms and the mechanical systems, and provides support for official and ceremonial functions.

A staff of 14 specialized employees provide services necessary to the operation of the White House and official and ceremonial functions. This staff includes four florists, five curators, and five calligraphers.

An administrative staff consists of the chief usher, three assistant ushers, one executive grounds superintendent, two administrative assistants, one chief accountant, and one projectionist. This staff is charged with management and administrative functions of the Executive Residence. This requires coordination with the Executive Office of the President, the National Park Service, the military, the U.S. Secret Service, the General Services Administration, and other agencies.

The equivalent of 4 full-time work-years of extra staff above the ceiling for full-time permanent positions are hired under personal services contract agreements (service by agreement) to provide additional help as required for official and ceremonial functions.

The funding provided in fiscal year 1990 for the Executive Residence includes $37,000 for one additional permanent position, an Assistant Chef, to reduce kitchen overtime costs and service-by-agreement chefs. Additional increases have been included over the 1989 enacted level of funding for maintaining current levels and a variety of projects including: maintenance work on the water filtration system; acquisition of new computers to replace antiquated systems currently being used to maintain historical records and inventory the items in the White House and White House Fine Arts Collection; purchase inventory; floor replacement in the State Dining Room and the Family Dining Room; painting conservation work; and exterior window replacement.

The Committee has also provided an additional $125,000 over the administration's request for a long overdue project requiring the refurbishing of White House furniture presently being stored in warehouses due to their deteriorated condition and appearance. A recent expert evaluation of the furniture concluded that $320,000 was needed to cover the costs of this project. The $125,000 provided will allow the Executive Residence to initiate the first phase of this project.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Appropriations, 1989	$258,000
Budget estimate, 1990	378,000
House allowance	578,000
Committee recommendation	578,000

The Committee recommends an appropriation of $578,000 for the official residence of the Vice President. This amount is $200,000 above the budget estimate and the same as the House allowance.

The "Official residence of the Vice President (residence)" account was established by Public Law 93-346 on July 12, 1974. The residence is located on the grounds of the Naval Observatory in the

District of Columbia and serves as a facility for official and ceremonial functions as a home for the Vice President and his family.

The objective of the "Residence" account is to provide for the care of, operation, maintenance, repair, improvement, and alteration of the residence and to provide such appropriate equipment, furnishings, dining facilities, services, and provisions as may be required to enable the Vice President to perform and discharge the duties, functions, and obligations associated with his high office.

The increase in funding provided in fiscal year 1990 will allow the Executive Office of the President to undertake some long-overdue major maintenance work at the residence.

The Committee has also provided an additional $200,000 for structural improvements at the Vice President's residence. The Committee has been advised that these funds are needed to undertake a variety of renovations to the home on the second and third floors and also to make some age-related repairs. In providing these additional funds, the Committee expects to be notified of the specific projects which will be funded before the funds are expended.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriations, 1989	$2,199,000
Budget estimate, 1990	2,335,000
House allowance	2,335,000
Committee recommendation	2,335,000

The Committee recommends an appropriation of $2,335,000 for special assistance to the President. The Committee recommendation is the same as the budget estimate and the House allowance.

The "Special assistance to the President" account was established on September 26, 1970, to enable the Vice President to provide assistance to the President. This assistance takes the form of directed and special presidentially assigned functions. The Vice President, through Cabinet membership and White House contact, is involved on a continuing basis regarding Presidential responsibilities.

Among the Vice President's specifically directed functions are the following: Member of the President's Cabinet, acting as Chairman when the President is absent; statutory member of the National Security Council; Chairman of the Special Situation Group; Chairman of the Presidential Task Force on the Crime Problem in South Florida, including the national narcotics border interdiction system; ex officio member of all Cabinet councils; and Member of the Board of Regents of the Smithsonian Institution.

The objective of the Office of the Vice President is to efficiently and effectively advise, assist, and support the Vice President in the areas of domestic policy, national security affairs, counsel, administration, press, scheduling, advance and special projects and assignments. A staff is also provided for the wife of the Vice President.

The Vice President also has a staff funded by the Senate to assist him in the performance of his duties in the legislative branch.

The level of funding recommended by the Committee will allow for 24 full-time permanent positions in fiscal year 1990, the same as in fiscal year 1989.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

Appropriations, 1989	$2,787,000
Budget estimate, 1990	2,906,000
House allowance	2,906,000
Committee recommendation	2,906,000

The Committee recommends an appropriation of $2,906,000 for salaries and expenses of the Council of Economic Advisers. The Committee recommendation is the same as the budget estimate and the House allowance.

The activities of the Council are set forth in the Employment Act of 1946. They include the following: To assist and advise the President in the preparation of the "Economic Report"; to gather and analyze timely information concerning current and prospective economic developments and report regularly to the President on the relationship of these developments to the achievement of maximum employment, production, and purchasing power as prescribed in the act; to appraise and report to the President on the extent to which the various programs and activities of the Federal Government contribute to the carrying out of the purposes of the act; to develop and recommend to the President national economic policies to foster and promote competitive enterprise, to avoid economic fluctuations, and to maintain maximum employment, production, and purchasing power; and to make such studies, reports, and recommendations on Federal economic policy and legislation as the President may request.

In carrying out these duties, the Council consults regularly with other Government agencies and departments, as well as the Congress, and representatives of business, labor, consumers, agriculture, State and local governments, and the economics profession. In addition, the members and staff of the Council are frequently called upon to serve on Cabinet Council working groups in a wide variety of fields.

Included in the Council's staff is a statistical unit which is responsible for the monthly publication "Economic Indicators" and the preparation of the statistical material in the annual "Economic Report of the President," as well as for providing continuous assistance to the Council and professional staff.

The level of funding recommended by the Committee will allow for a total of 34 full-time permanent positions, the same level as in fiscal year 1989.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

Appropriations, 1989	$3,000,000
Budget estimate, 1990	3,079,000
House allowance	3,079,000
Committee recommendation	3,079,000

The Committee recommends $3,079,000 for the Office of Policy Development. The Committee recommendation is the same as the budget estimate and the House allowance.

The Office of Policy Development advises and assists the President in the formulation, evaluation, and coordination of long-range economic and domestic policy; supports the operation of the Office of Cabinet Affairs, including the Domestic Policy Council and the Economic Policy Council; and, in accordance with Executive Order No. 12296, supports the President's Economic Policy Advisory Board.

The level of funding recommended by the Committee will allow for a total of 42 full-time permanent positions in fiscal year 1990.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

Appropriations, 1989	$225,000
Budget estimate, 1990	
House allowance	225,000
Committee recommendation	550,000

The Committee recommends an appropriation of $550,000 to fund the National Critical Materials Council within the Executive Office of the President. The Committee recommendation is $550,000 over the budget estimate and $325,000 above the House allowance.

The National Critical Materials Council was created by the National Critical Materials Act of 1984 with a wide variety of purposes and statutory obligations, including the following responsibilities: To help establish and coordinate Federal materials-related policies, programs, and research and technology activities; to advise the President on materials issues, as appropriate; to review Federal compliance with the 1980 Materials Policy Act; to evaluate critical materials needs, including research and development, of industry and government; and to assess materials-related education, including the supply of materials scientists and engineers, in consultation with the academic community.

The Council has reviewed a wide variety of possible issues to focus on, including the economic health of the domestic mining and minerals processing industries, the adequacy of critical materials availability to meet national security requirements, Federal and private sector research and development activities in the advanced materials area, and the effect on the Nation's economy of trends in the minerals and materials industries. Both the Council and staff have held numerous meetings with Federal agency officials, industry and academic leaders in both the basic minerals and advanced materials fields, and have testified to Congress on these topics.

The Committee is extremely concerned that statutory requirements placed on the National Critical Materials Council [NCMC] have not only been unmet in fiscal year 1989 but have been blatantly disregarded. The blame does not rest with the Council alone, however. The Committee is acutely aware of the role played by the Office of Management and Budget in this regard. The Committee is further aware of the fact that the Office of Management and Budget has been trying to eliminate the Council for some time. The administration's budget request for fiscal year 1990 includes the OMB recommendation to eliminate this agency. The Committee is rejecting the administration's proposal to eliminate the National Critical Materials Council, and, instead recommends a funding level sufficient to permit the agency to function as was initially contemplated by the Congress under the provisions of the Critical Materials Act of 1984, Public Law 98-373.

The Council presently operates with a staff of three employees. Contrary to the provisions of Public Law 100-418, enacted in August 1988, the Council's employees are still reimbursable detailees from other Federal agencies and not permanent full-time staff of the Council. The Committee considers the role of an Executive Office of the President agency for critical minerals and advanced materials vital to the development of a national security policy for this country. The National Critical Materials Council was established to fulfill that role. As a result, the Committee recommends an appropriation of $550,000 and five equivalent full-time staff positions in fiscal year 1990 for the Council. The Committee expects these funds to be used to carry out the Council's statutory mandates with permanent full-time staff of the Council and without reimbursable detailees from other Federal agencies. For this reason, the Committee has included language in the bill prohibiting the Council's use of reimbursable detailees from other Federal agencies without the approval of the House and Senate Committees on Appropriations. The Committee is further recommending additional reporting requirements from the Council on a quarterly basis to advise the Committee of its achievements in the development of a critical materials policy for this country. These quarterly reports should also include a status report on the effect the administration's minerals and materials policy is having on our goal to achieve strategic security independence.

The Committee also believes that Council members and a Chairman should be appointed by the President as quickly as possible in order to provide direction to the Council's efforts and to give the Council institutional authority.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriations, 1989	$5,100,000
Budget estimate, 1990	5,409,000
House allowance	5,409,000
Committee recommendation	5,409,000

The Committee recommends an appropriation of $5,409,000 for the salaries and expenses of the National Security Council. The

Committee recommendation is the same as the budget estimate and the House allowance.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to actual and potential military power, to consider policies on matters of common interest to the departments and agencies of the Government, and to make recommendations and other reports to the President.

The level of funding recommended by the Committee will allow the Council a total of 53 full-time permanent staff, which represents a reduction of 8 full-time permanent staff from the fiscal year 1989 level.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriations, 1989	$39,640,000
Budget estimate, 1990	43,894,000
House allowance	44,894,000
Committee recommendation	44,894,000

The Committee recommends an appropriation of $44,894,000. The Committee recommendation is $1,000,000 more than the budget estimate and identical to the House allowance.

The Office of Management and Budget [OMB] assists the President in the discharge of his budgetary, management, and other executive responsibilities. The Office performs the function of assisting the President in the preparation and execution of the Federal budget. The Office also provides the President with an institutional staff capability in executive management—particularly in program evaluation and coordination, management reform, regulatory analysis, Government organization, and information and management systems.

The additional funds provided in fiscal year 1990 will permit the Office of Management and Budget to increase staffing to a level of 577 permanent full-time equivalent positions, an increase of 35 over the fiscal year 1989 level. Most of these additional positions will be allocated to the Management Division of OMB to allow this agency to expand its oversight management of all executive agencies. Testimony presented during the fiscal year 1990 budget hearings suggested that OMB was unable to properly carry out its management role without a significant staffing increase. The Committee expects that the lack of management oversight which led to the scandals at the Department of Housing and Urban Development uncovered over the past few months will be curbed by greater management oversight by the Office of Management and Budget. With the additional staffing, the Committee expects OMB to exercise better oversight of all executive agencies and, therefore, the Committee requests the OMB to provide quarterly reports to the Committee on the progress it is making in the implementation of this expanded oversight role.

Below is a comparison of the staffing levels by division of the Office of Management and Budget from 1988 through fiscal year 1990:

DISTRIBUTION BY PROGRAM AREA OF FULL-TIME EQUIVALENT POSITION

	Fiscal year—		
	1988 actual	1989 enacted	1990 estimated
Budget review	71	74	74
National security and international affairs	66	66	69
Economics and Government	57	61	63
Natural resources, energy, and science	63	66	69
Human resources, veterans, and labor	59	61	63
Director's Office [1]	63	63	64
Management	46	47	77
Information and regulatory affairs	66	62	65
Privatization Office	5	3	5
Commission on Privatization	3		
Legislative reference	26	27	28
Total positions	525	[2] 530	577

---

[1] The Director's Office includes the following components: the Office of the Director, External Affairs, General Counsel's Office, the Administration Office, the Office of Legislative Affairs, and the Office of Economic Policy.

[2] Current FTE estimates for fiscal year 1989 project that OMB will only be able to fill 522 of the original estimate of 530 FTE's with personnel funds.

MARKETING ORDERS

Marketing orders which are authorized under the Agricultural Marketing Agreement Act of 1937 have made valuable contributions to the stability of many of our agricultural commodity markets. In addition to assuring orderly markets for both producers and consumers, marketing orders have provided for quality control standards, research and promotional programs, and supply management programs.

The Agricultural Marketing Agreement Act of 1937 gave direct supervision and control over the management of marketing orders to the U.S. Department of Agriculture. The Office of Management and Budget has never been given any legislative authority over marketing orders. OMB has attempted to become involved in the management of marketing order programs through the President's task force on regulatory review in recent years. The Committee has included language prohibiting OMB from acting with regard to marketing orders. The purpose of this language is to reaffirm USDA's sole authority in an area where they have developed the necessary expertise and trained personnel over the years to effectively monitor and enforce agricultural marketing order programs.

ALCOHOL AND TOBACCO STATISTICAL DATA

The Committee has again included language which prohibits OMB from curtailing the collection and dissemination of alcohol and tobacco statistical data. The Office of Information and Regulatory Affairs [OIRA] apparently does not share the Committee's concern over the critical need for such data in addressing such problems as alcohol abuse, public health, and industrial safety.

The Committee, however, recognizes the continuing need and directs the Bureau of Alcohol, Tobacco and Firearms [ATF] to continue the monthly collection of alcoholic beverage statistics.

TRANSCRIPT REVIEW

The Committee has included language in the bill that would prohibit OMB from altering certain transcripts.

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

Appropriations, 1989	$2,353,000
Budget estimate, 1990	2,660,000
House allowance	2,660,000
Committee recommendation	2,660,000

The Committee recommends an appropriation of $2,660,000 for the Office of Federal Procurement Policy [OFPP]. The Committee recommendation is identical to the budget estimate and the House allowance.

The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

The Office of Federal Procurement Policy funds the Federal Acquisition Institute to serve as the interagency focal point for promoting and coordinating Government-wide planning, development, implementation, and evaluation of programs in procurement, research, education and training, and career development.

The level of funding recommended by the Committee will allow a total of 37 full-time permanent positions or 5 additional full-time permanent positions over the level provided in fiscal year 1989.

FUNDS APPROPRIATED TO THE PRESIDENT

UNANTICIPATED NEEDS

Appropriations, 1989	$1,000,000
Budget estimate, 1990	1,000,000
House allowance	1,000,000
Committee recommendation	1,000,000

The Committee recommends an appropriation of $1,000,000 for unanticipated needs. The Committee recommendation is identical to the budget request and the House allowance.

In 1940, Congress recognized the need for the President of the United States to have limited funds available to meet unplanned and unbudgeted contingencies. In so doing, an account entitled "Emergency fund for the President" was created allowing the President, as the head of the National Government, to confront unforeseen problems demanding immediate executive action. In 1975, Congress changed the account title to "Unanticipated needs."

Expenditures from this account may be authorized only by the President while the Director of the Office of Management and Budget provides the necessary control to assure that only unforeseen priorities are financed. Prior use of these funds has occurred under tight budget control and covered unanticipated needs not met from regular budget accounts nor available in a timely fashion through the supplemental budget process.

EXPENSES OF MANAGEMENT IMPROVEMENT

Appropriations, 1989	$1,000,000
Budget estimate, 1990	18,000,000
House allowance	1,000,000
Committee recommendation	

The Committee recommends no appropriation for expenses of management improvements at the Office of Management and Budget for fiscal year 1990.

While funds have been requested by the administration to enable the President to develop and implement improvements in the management, organization, and operation of the agencies of the executive branch, with the very tight budget constraints in fiscal year 1990 the Committee is unable to provide funds to continue or expand these activites in the next fiscal year. While the Committee does not argue that a more integrated approach to the management of Government-wide financial activities has merit, it cannot support funds for these activities in fiscal year 1990.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 1989	$3,500,000
Budget estimate, 1990	12,000,000
House allowance	12,000,000
Committee recommendation	12,000,000

The Committee's recommendation for salaries and expenses of the Office of National Drug Control Policy for fiscal year 1990 is $12,000,000. This amount is the same as the budget estimate and the House allowance.

The Office of National Drug Control Policy [ONDCP] was established pursuant to section 1002 of the Anti-Drug Abuse Act of 1988, Public Law 100-690. The Office of National Drug Control Policy is the President's primary executive branch agency for drug policy and program oversight. The law provides for four positions subject to Senate confirmation: a Director; a Deputy Director for Supply Reduction; a Deputy Director for Demand Reduction; and an Associate Director for State and Local Affairs. The Director is charged by law with the formulation, evaluation, coordination, and oversight of both international and domestic antidrug abuse function of all executive branch agencies, and to ensure that such functions sustain and complement State and local antidrug abuse efforts.

Mandated ONDCP activities include the annual development of a national drug control strategy; the coordination and oversight of all Federal antidrug policies and programs covering 36 separate departments and agencies and the programs they administer; the development of a consolidated drug control budget for presentation to the President and the Congress, including budget certifications and quarterly reprogramming reports; the encouragement of the private sector and State and local initiatives for drug prevention and control; recommendations to the President regarding changes in the organization, management, and budgets of Federal departments and agencies engaged in the antidrug effort; representation of the administration's drug policies and proposals to the Congress; the participation by the Director in NSC deliberations and decisions concerning drugs; the production of legislatively mandated studies and reports for submission to the President and the Congress, and the establishment and oversight of numerous legislatively mandated national campaigns and commissions.

In addition to the national drug strategy, the ONDCP must also develop and present to the President and the Congress a consolidated national drug control budget proposal to implement the strategy. As mandated by law, each report must include a full assessment of the resources required to implement the national drug control strategy, as well as 3-year projections for program and budget priorities.

The funds provided in fiscal year 1990 will support a permanent full-time staffing level of 96, an increase of 25 over the fiscal year 1989 enacted level. The Committee has approved the bill language requested by the ONDCP to use the approved level of $12,000,000 for salaries and expenses and research grants as the Director may see fit. The following table reflects how the appropriation recommended by the Committee would affect the agency funding levels by object class and FTE's.

OBJECT CLASSIFICATION

[In thousands of dollars]

Personnel compensation	Fiscal year— 1988 actual	1989 estimate	1990 estimate
Full-time permanent		718	4,992
Other personnel compensation		600	439
Total personnel compensation		1,318	5,431
Civilian personnel benefits		263	1,086
Travel and transportation of persons		58	225
Transportation of things		4	53
Rental payments to GSA		461	1,338
Communications, utilities, and miscellaneous charges		310	727
Printing and reproduction		100	250
Other services (including research contracts)		329	2,540
Supplies and materials		60	150
Equipment		575	200
Total obligations		3,478	12,000

SPECIAL FORFEITURE FUND

Appropriations, 1989	
Budget estimate, 1990	$136,000,000
House allowance	136,000,000
Committee recommendation	

The Committee has recommended no authority to spend special forfeiture fund balances which become available at the end of fiscal year 1990.

Section 6073 of the Anti-Drug Abuse Act of 1988, Public Law 100-690, established the special forfeiture fund to be administered by the Director of the Office of National Drug Control Policy. In accordance with that act, beginning in fiscal year 1990, up to $150,000,000 in unobligated balances at the end of each fiscal year in the Department of Justice assets forfeiture fund are to be transferred to the newly established special forfeiture fund within the Treasury of the United States and be made available to the Director of the Office of National Drug Control Policy. These funds may be carried forward and remain available without limitation for the next fiscal year, subject to appropriation. The authorizing act requires that the President, in consultation with the Director of the Office of National Drug Control Policy, include a separate and detailed request for the use of the amounts in the fund as part of the President's budget submission to the Congress and that these funds shall be used for supplementing existing Federal funds but not supplanting funds otherwise available for drug control activities. The authorization further requires that any funds requested for disbursement from the special forfeiture fund reflect the priorities of the national drug control strategy.

The Director of the Office of National Control Policy proposes authorization language to permit the disbursement of unobligated balances in the justice assets forfeiture fund to the special forfeiture fund prior to the close of the fiscal year. This authorization change is being proposed to allow the Director of Office of National Drug Control Policy to access these funds earlier in the fiscal year to fund prison construction and support drug control activities related to the designation of "high-intensity drug trafficking areas." While the Committee is extremely sympathetic to the Director's desire to provide additional funds for very worthy activities such as prison construction and high-intensity drug trafficking zones, it concludes that until the national drug strategy report is published and an appropriation request is made on the basis of the priorities reflected in that report, it would be unwise to approve this early disbursement of funds to the special forfeiture fund. Furthermore, the Committee is concerned that this authorization change would have the effect of amending the Anti-Drug Abuse Act of 1988 and may adversely affect the Justice Department requirements for the use of these moneys in fiscal year 1990. Consequently, the Committee strongly encourages the Director to issue his national drug strategy report and then make a request to the Congress for funding authority once the drug control priorities have been identified in accordance with the provisions of Public Law 100-690.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriations, 1989	$1,865,000
Budget estimate, 1990	1,865,000
House allowance	1,865,000
Committee recommendation	1,865,000

The Committee recommends an appropriation of $1,865,000 for the Administrative Conference of the United States. The Committee recommendation is the same as the budget estimate and the House allowance.

The Conference is authorized on a permanent basis to assist the President, the Congress, the administrative agencies, and executive agencies in improving administrative procedure. It is responsible for conducting studies of the efficiency, adequacy, and fairness of present procedures by which the Federal administrative agencies and executive departments determine the rights, privileges, and obligations of private persons. On the basis of such studies, the Conference issues formal recommendations for improvements and then encourages implementation of the recommendations through appropriate agency, congressional, or judicial action.

In addition to its research activities, the Conference also arranges for the interchange among administrative agencies of information useful in improving administrative procedures; collects, tabulates, analyzes, and publishes statistics from administrative agencies to identify and correct delays and other problems in the administrative process; and, on an ongoing basis, furnishes assistance and advice on matters of administrative procedure to the agencies, Congress, and others.

Although the Committee has approved the full budget request for the Conference in fiscal year 1990, the Committee remains seriously concerned about the focus and direction of the Conference. The Conference's budget justifications indicates that the Conference is expending considerable time and limited resources on the review of issues that are matters of law and policy under the discretionary jurisdiction of other Federal agencies. The Committee believes that the Conference has a formidable task in meeting its mandate. Moreover, the Conference, if properly directed, could serve an important function in improving the administrative efficiencies and equities of the administrative procedures undertaken by all Federal agencies. However, the Conference, if left to follow its current course, will continue to apply its limited resources to efforts which may well be duplicative of other agency missions and correspondingly, provide less effort in those areas it was designed to perform.

The authorization for the Conference is due to expire in fiscal year 1990. Therefore, in preparation for reauthorization in fiscal year 1991, the Conference should refocus its research agenda to ensure that it follows its statutory mandate. Accordingly, the Committee directs that the Conference adopt a formal and judicious mechanism for setting its study agenda in order to ensure that matters chosen for research reflect a strict interpretation of administrative procedure. The Committee expects to receive quarterly reports which identify the research agenda and the specific expenditure of funds, both by the Conference as well as by reimbursement from other Federal agencies, describing in detail how the research agenda was developed.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

Appropriations, 1989	$1,040,000
Budget estimate, 1990	1,300,000
House allowance	1,300,000
Committee recommendation	1,300,000

The Committee recommends an appropriation of $1,300,000 for the Advisory Commission on Intergovernmental Relations. The Committee recommendation is the same as the budget estimate and the House allowance.

The Commission is an independent, bipartisan body which attempts to identify and analyze the causes of intergovernmental conflicts and recommends ways of strengthening and improving the American federal system. The Commission includes representatives of the executive, legislative, and administrative branches of all levels of government—Federal, State, and local—as well as representatives of the general public.

The recommended allowance for the Commission in fiscal year 1990 represents an increase of $260,000 over the fiscal year 1989 enacted level. In fiscal year 1989, the Committee directed the Commission to support its ongoing operational costs through increased contributions from the States. Testimony presented during fiscal year 1990 budget hearings the Committee was advised that despite stepped-up efforts to solicit increased financial assistance from State government, a shortfall in funding for basis operational costs will occur in fiscal year 1990 without an increase in Federal funds. As a result, the Committee has provided a modest increase in funds to sustain the important advisory and research work carried out by the Commission. Nonetheless, the Committee remains concerned about the Commission's inability to attract greater financial support from the States and encourages the Commission to aggressively pursue contributions from State and local governmental bodies which benefit from the Commission's work. The Committee expects to receive periodic reports from the Commission on the progress it is making in securing additional state and local governmental financial assistance.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

Appropriations, 1989	$205,000
Budget estimate, 1990	205,000
House allowance	205,000
Committee recommendation	205,000

The Committee recommends an appropriation of $205,000 for the Advisory Committee on Federal Pay. The Committee recommendation is the same as the budget estimate and the House allowance.

The Advisory Committee was appointed in accordance with the Federal Pay Comparability Act of 1970 and consists of three private citizens who are not Federal Government employees. The Advisory Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise. The Advisory Committee reviews the annual report of the President's pay agent and considers the recommendations of representatives of Federal employees and other officials of the Federal Government. The Advisory Committee then prepares for the President an independent report with its findings and recommendations.

The Advisory Committee also meets jointly throughout the year with the Federal Employee's Pay Council and the President's pay agent in an attempt to resolve any issues between them, by providing advisory opinions on unresolved issues.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

Appropriations, 1989	$862,000
Budget estimate, 1990	937,000
House allowance	1,062,000
Committee recommendation	1,062,000

The Committee recommends $1,062,000 for the Committee for Purchase From the Blind and Other Severely Handicapped [CPBOSH]. The Committee recommendation is $125,000 above the budget estimate and the same as the House allowance.

The Committee was established by the Javits-Wagner-O'Day Act of 1971.

The Committee's primary objective is to increase the employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. The Committee determines which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the act.

The Committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance. It is estimated that workshop sales to the Federal Government under the Committee's program during fiscal 1988 were about $331,000,000 including sales through the Military Resale Program.

In fiscal year 1988, the Committee authorized the first increase in staffing since 1979—from 12 positions, to the current level of 13 positions. The level of funding recommended by the Committee will provide a staffing level of 14 in fiscal year 1990 and should continue to help alleviate the persistent backlog problem at the Committee. The additional funds over the 1989 level will also be used to undertake research projects for program evaluation and education purposes. The increase in appropriated funds this year should help alleviate this staffing problem. The Committee also encourages the CPBOSH to continue its efforts toward streamlining administrative procedures as a further aid toward improving program efficiency and expanding services.

The Committee recognizes the importance of the Javits-Wagner-O'Day Act [JWOD] Act in providing much needed employment opportunities to blind and other severely handicapped Americans, while at the same time providing quality goods and services to the Federal Government at fair market prices. The Congress further recognizes that research, promotional, and advocacy efforts aimed at strengthening and expanding the program are both a statutory and necessary function in order for the Committee for Purchase From the Blind and Other Severely Handicapped [CPBOSH] to fulfill its obligations under the JWOD Act. The Congress supports recent efforts by the CPBOSH to initiate such research and advocacy activities, and has accordingly increased this year's CPBOSH appropriation to help fund these initiatives.

The Committee is also aware that funding for the CPBOSH has not kept pace with the rapid growth of the JWOD Program, resulting in understaffing, and presenting a threat to timely processing of additions to the JWOD procurement list.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 1989	$15,683,000
Budget estimate, 1990	15,768,000
House allowance	14,257,000
Committee recommendation	15,570,000

[1] This amount reflects the budget estimate submitted to the Congress by the FEC.

The Committee recommends an appropriation of $15,570,000 for the Federal Election Commission [FEC]. The Committee recommendation is $198,000 below the FEC budget request and $1,313,000 above the House allowance.

The Federal Election Commission is charged with implementing and enforcing the Federal Election Campaign Act [FECA] as amended. This includes: promoting public disclosure of campaign finance activity; providing information to the public, press, and campaign officials on the FECA and campaign finance; obtaining voluntary compliance with the disclosure and limitation provisions of the FECA; and enforcing that disclosure and compliance through audits, investigations, and/or litigation. The Commission is also charged with implementing the Presidential campaign funding programs for both primary and general election campaigns of qualified Presidential candidates. This includes certification, audit, and enforcement of the provisions of the Federal funding legislation concerning the use of Federal funds.

The funds provided by the Committee will allow the FEC to increase its permanent full-time staffing level to 258 for fiscal year 1990 or an increase of 7 over the 1989 enacted level. It will also enable the Commission to undertake a series of projects which will promote greater enforcement of our Federal election laws.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF REVENUE

COMMITTEE FUNDING LEVELS

The Committee has recommended an aggregate limitation on availability of revenue from the Federal buildings fund of $3,156,271,320. This amount is $203,611,680 under the budget request and $152,313,680 below the House allowance.

This limitation includes $54,681,320 to the Federal building fund to cover the cost of the third phase of a vital new program for capital improvements of United States-Mexico border facilities.

CONSTRUCTION AND ACQUISITION OF FACILITIES

Appropriations, 1989	$119,820,000
Budget estimate, 1990	244,539,000
House allowance	123,253,000
Committee recommendation	41,739,000

The Committee recommends a limitation of $41,739,000 for construction and acquisition of facilities in fiscal year 1989. The Committee recommendation is $202,800,000 under the budget estimate, and $81,514,000 below the House allowance.

The construction and acquisition of facilities activity meets the space needs of Federal agencies by funding new construction, acquisition of excess properties from the U.S. Postal Service and other Government agencies, and the purchase of commercial buildings. It is the aim of the General Services Administration [GSA] to increase the ratio of Government-owned to leased facilities as the most economical means of housing Government activities in most geographic locations.

Construction and acquisition of facilities—Projects approved by Committee

New Construction:	
Alaska: Skagway: Border station	$4,110,000
Iowa: Ames: Grant to Iowa State University for Midwest Supercomputer Access Center	5,000,000
Kansas: Kansas City: Federal building-courthouse (Site)	200,000
Maryland: Prince Georges County: Federal courthouse (Site and design)	4,700,000
Massachusetts:	
Boston: Federal building (Claim)	2,930,000

Woods Hole: A grant for the development of the Marine Biomedical Institute for Advanced Studies	2,000,000
Minnesota: International Falls: Border station	1,472,000
Nebraska: Lincoln: Grant for expansion of Eppley Institute for Research in Cancer and Allied Disease	5,000,000
New Mexico: Alamogordo: Grant to the New Mexico State University Primate Research Institute (Site and facilities)	5,000,000
Virgin Islands: St. Croix: Federal building-courthouse	8,827,000
Subtotal, new construction	39,239,000
Other activities, small projects (under $1,500,000)	2,000,000
Subtotal, other activities	2,000,000
Opportunity purchase program	500,000
Total	41,739,000

NEWARK FEDERAL BUILDING PARKING

In the fiscal year 1989 appropriations for the General Services Administration, $250,000 were provided for preliminary work to address the concerns of the city of Newark, NJ, over inadequate parking allocations for the Martin Luther King, Jr. Federal Building.

Subsequent discussions between the city of Newark and the GSA have taken place, and it is anticipated that a request for authorization for construction of additional parking capacity may be made for fiscal year 1991. The Committee maintains an interest in this matter, and looks forward to continued progress in addressing the city's concerns.

DALTON, GA, FEDERAL BUILDING

The Committee notes with interest the activities of the General Services Administration and the Postal Service in evaluating the costs and benefits of a consolidated Federal building, courthouse, and post office in Dalton, GA. The Committee looks forward to reviewing the studies of these agencies in order to determine the cost effectiveness of funding this proposal in future fiscal years.

EPPLEY INSTITUTE FOR RESEARCH IN CANCER AND ALLIED DISEASES

The Committee has included $5,000,000 in the bill to construct additional research space at the Eppley Institute for Research in Cancer and Allied Diseases in Lincoln, NE.

The Eppley Institute is one of 15 laboratory research centers designated by the National Cancer Institute. The proposed construction program has undergone peer review and been approved by the institute. The institute has received a grant from the American Cancer Society for research into cancer prevention, with emphasis on nutrition. Eppley is also engaged in work on non-Hodgkins lymphoma believed caused by exposure to nitrates and pesticides.

JOHN F. KENNEDY FEDERAL BUILDING, BOSTON, MA

The Committee is seriously concerned about the threats to health and safety of Federal employees who occupy the John F. Kennedy Federal Building in Boston, MA. The General Services Administration has begun an asbestos removal project and the Committee has learned that this work is progressing while employees continue to occupy the building. Because of the potential health risks with exposure to asbestos fibers, the Committee instructs the GSA to move as expeditiously as possible to relocate the remaining agencies in this building to more suitable quarters. GSA is to keep the Committee advised as to the progress being made.

MIDWEST SUPERCOMPUTER ACCESS CENTER

The Committee has included an additional $5,000,000 in the bill for a grant to Iowa State University for the establishment of a Midwest Supercomputer Access Center to be located in Ames, IA.

A Supercomputer Access Center in the Midwest would provide universities in the six Midwestern States of Iowa, Nebraska, Kansas, Arkansas, and Oklahoma with greatly enhanced access capability to national supercomputer centers located in other regions of the country. The Midwest Supercomputer Access Center would build on the limited networking capabilities of the existing MIDNET supercomputer network and would be operated cooperatively with other doctoral institutions in the region as well as with industrial and governmental supercomputer uses.

COAST GUARD FACILITY, MARTINSBURG, WV

The Committee is pleased to learn that the construction schedule for the Coast Guard Operations Computer Center to be located in Martinsburg, WV, is now progressing well despite earlier delays which were necessary to incorporate local real estate market conditions and for additional time to review the solicitation for offers. The Committee fully expects the GSA to comply with the following revised construction schedule which calls for contract negotiations to be completed by the fall 1989 and delivery of the project by the fall 1990.

U.S. Coast Guard facility acquisition schedule, Martinsburg, WV

Issue SFO	May 15, 1989.
Initial offers	July 15, 1989.
Negotiation completed	October 15, 1989.
BAFO received	November 1, 1989.
Recommendation to agency	November 15, 1989.
Contract clearance	January 1990.
Award	January 1990.
Delivery	October 1990.

STAGING AREAS FOR THE DISABLED

Last year the Committee provided $2,000,000 to the General Services Administration [GSA] to conduct a pilot demonstration project to provide safe areas of refuge in Federal buildings to temporarily shield the handicapped from the devastating physical harm of fire. The Committee understands that the GSA has selected six Federal buildings throughout various regions of the country to implement this pilot project. During fiscal year 1990, the Committee expects the GSA to continue to keep the Committee up to date on the results of this project and further instructs the GSA to evaluate the need for expansion of this demonstration at other Federal buildings in large urban areas. Should the GSA conclude that increased installation of staging areas for the disabled should be expanded to other Federal buildings, the GSA should send a reprogramming request to the Committee for this purpose, and/or include funding for continuation of this effort in its fiscal year 1991 budget request.

OFFICE OF NATIONAL DRUG CONTROL POLICY

The Committee is aware that the existing space currently occupied by the Office of National Drug Control Policy is entirely inadequate and does not meet the Office's unique security requirements. The Committee is advised that GSA is pursuing alternative solutions to this problem.

The Committee hopes that GSA will move as expeditiously as possible to identify a more suitable location within the District of Columbia for the Office of National Drug Control Policy. The Committee expects to be kept advised on a regular basis on the progress GSA is making in this regard.

REPAIRS AND ALTERATIONS

Appropriations, 1989	$532,865,000
Budget estimate, 1990	438,193,000
House allowance	541,505,000
Committee recommendation	478,443,320

The Committee recommends new obligational authority of $478,443,320 for repairs and alterations in fiscal year 1990. The Committee recommendation is $40,250,320 over the budget estimate and $63,061,680 under the House allowance.

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations [R&A] of both Government-owned and leased facilities under the control of GSA. The major goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating efficiency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 1989 program is devoted to nondiscretionary work necessary to meet this goal and keep the buildings in an occupiable condition.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and buildings managers. The work identified through these inspections is programmed in order of priority into the repairs and alterations construction automated tracking system [RACATS] and incorporated into a 5-year plan for accomplishment, based upon funding availability, urgency, and the volume of R&A work that GSA has the capability to execute annually.

The R&A Program, for purposes of funds control, is divided into two types of projects: line item and nonline item. The following is a definition of each category of projects.

CATEGORIES OF PROJECTS

Line item projects.—Line item projects are those larger projects for which a prospectus is required under the provisions of the Public Buildings Act of 1959 and for which over $1,500,000 is to be obligated at a single location within a fiscal year. Generally, line item projects are similar to construction projects in the scope of work involved and the multiyear timeframe for project completion. Line item projects are listed individually in GSA's appropriations acts and the obligational authority for each project is limited to the amount shown therein.

Nonline item projects.—This category includes all smaller projects for which an amount less than $1,500,000 is to be obligated at a single location within a fiscal year. Projects included in this category are generally short term in nature and funds can normally be obligated within a 1-year period. This category also includes projects which are recurring in nature, such as cyclic painting and pointing, and the minor repair of defective building systems; for example, mechanical, plumbing, electrical, fire safety, and elevator system components.

Below is the list of line item projects recommended for funding by the Committee for fiscal year 1990.

Repairs and alterations

Alabama: Mobile: Federal building	$1,581,000
Alaska: Juneau: Federal building-courthouse-post office	12,258,000
California:	
Los Angeles:	
Federal building-post office, 11000 Wilshire Blvd	7,700,000
Courthouse, 31 Spring Street	5,302,000
San Francisco: Federal building-courthouse, 450 Golden Gate Ave	13,450,000
Colorado:	
Denver: Byron G. Rogers Federal Building-Courthouse	8,614,000
Lakewood: Denver Federal Center, Building 810	7,841,000
District of Columbia:	
General Services Administration Headquarters	19,000,000
J. Edgar Hoover Federal Building	9,800,000
Housing and Urban Development	9,500,000
Old Executive Office Building	18,000,000
Florida: St. Petersburg: Federal building	3,637,000
Georgia: Macon: Federal building-courthouse	1,765,000
Illinois:	
Chicago:	
Customhouse	9,596,000
Everett M. Dirksen Federal Building-Courthouse	2,833,000
Federal Building, 536 S. Clark Street	11,102,000
Danville: Federal building-courthouse	2,627,000
Massachusetts: Boston: John F. Kennedy Federal Building	9,700,000
Michigan: Detroit: Federal building-courthouse	2,580,000
Minnesota: Fort Snelling: Bishop Henry Whipple Federal Building	4,728,000
Missouri:	
Overland:	
Adjutant General Personnel Center	1,940,000
Federal Records Center	7,691,000
New Mexico: Santa Fe: Federal building, Cathedral Place at Palace	2,130,000
New York: Brooklyn: Emmanuel Cellar Federal Building, Cadman Plaza	5,100,000
North Carolina: Asheville: Grove Arcade Federal Building	3,016,000
Pennsylvania:	
Philadelphia:	
James A. Byrne Courthouse	7,801,000
William J. Greene, Jr., Federal Building	6,774,000
Robert N.C. Nix, Sr., Federal Building	2,630,000

Pittsburgh: William S. Morhead Federal Building	7,850,000
Tennessee:	
Chattanooga: Joel W. Solomon Federal Building-Courthouse	3,033,000
Jackson: Post office-courthouse	2,433,000
Texas: Fort Worth: Fritz G. Lanham Federal Building	4,834,000
Virginia: Charlottesville: Federal Executive Institute	2,100,000
Wisconsin: Milwaukee: Federal building-courthouse	3,548,000

CAPITAL IMPROVEMENTS OF UNITED STATES-MEXICO BORDER FACILITIES

In fiscal years 1988 and 1989, the Committee recommended, and the President approved, the initial phases of a multiyear program to improve United States-Mexico border facilities along the entire Southwest border of the United States. A total of roughly $88,924,000 has been provided to date within the Federal buildings fund to initiate capital improvements at a number of important ports of entry where the need for such improvements was most acute. In the fiscal year 1990 budget, the President has for the first time requested funding to continue this effort, and the House has recommended $39,624,000 to continue these important capital improvements at border port facilities from California to Texas.

The Committee has recommended a total of $54,681,320 for the third phase of this multiyear effort to improve facilities along the entire Southwest border. This level of funding is the amount that the Committee believes could be effectively obligated for additional border project capital improvements in fiscal year 1990.

The following table indicates the projects underway, the funding made available for each project to date, and the Committee's recommendations for fiscal year 1990:

UNITED STATES-MEXICO BORDER FACILITIES CAPITAL IMPROVEMENTS

[In millions of dollars]

Project	Estimated total cost	Available funding	Fiscal year 1990 recommendation
ARIZONA			
Nogales, Grand Avenue/Morley Gate:			
Repairs and alterations	13.676	1.249	[1] 12.427
Safety	.182	[1] .182	
New station	2.860	[1] 2.860	
Nogales, Mariposa:			
Repairs and alterations	5.284	.995	[1] 4.289
Safety	.143	[1] .143	
Lukeville:			
Repairs and alterations	.493	[1] .493	
Safety	.065	[1] .065	
San Luis:			
Repairs and alterations	1.265	[1] 1.265	
Safety	.068	[1] .068	
Douglas:			
New facility	4.172	.172	[1] 4.000
Repairs and alterations	1.132	[1] 1.132	
Safety	.118	[1] .118	
Sasabe:			
New facility	3.334	.149	
Repairs and alterations	.066	[1] .066	
Safety	.034	[1] .034	
Naco:			
New facility	3.641	.143	
Repairs and alterations	.210	[1] .210	

UNITED STATES-MEXICO BORDER FACILITIES CAPITAL IMPROVEMENTS—Continued

[In millions of dollars]

Project	Estimated total cost	Available funding	Fiscal year 1990 recommendation
Safety	.032	[1] .032	
CALIFORNIA			
Calexico:			
New station	43.874	.880	
Safety/asbestos	6.391	5.486	[1] .905
Repairs and alterations	3.724	.629	[1] 3.095
San Ysidro/Otay Mesa:			
Virginia Street	.582	.216	
Safety	8.390	5.024	[1] 3.366
Repairs and alterations	22.456	1.174	4.302
Commercial lot improvements	5.369	1.067	
Signs/security	2.478	[1] 2.478	
Lane reconfiguration	.096	[1] .096	
New facility, Otay Mesa	23.334	.722	2.000
Land acquisition, Otay Mesa	6.500	[1] 6.500	
Tecate:			
Repairs and alterations	.913	[1] .913	
New station	10.845	1.336	
Andrade:			
Repairs and alterations/safety	.485	[1] .485	
New station	6.613	.212	
NEW MEXICO			
Antelope Wells: Repairs/safety	.350	[1] .350	
Columbus: Safety	.201	[1] .201	
Santa Teresa: New facility	6.730	.578	[1] 6.152
TEXAS			
El Paso:			
Ysleta: New facility	19.452	10.400	
Bridge of the Americas:			
Design/repairs and alterations	8.350	1.142	[1] 7.208
Paving, import lot	.850	[1] .850	
Paso Del Norte: Extension/repairs and alterations	4.000	[1] 4.000	
Laredo:			
Juarez-Lincoln	24.180	3.272	
RR bridge replacement	.018	[1] .018	
Convent Street	3.301	[1] 3.301	
Columbia: New facility	4.480	.480	[1] 4.000
Brownsville:			
Gateway:			
Security	.250	[1] .250	
Lane expansion	1.450	[1] 1.450	
Repairs and alterations	8.999	[1] 8.999	
New bridge	.480	[1] .480	
B&M Bridge	4.868	[1] 4.868	
Los Indios: New facility	6.700	.693	1.535
Fabens	.545	[1] .545	
Fort Hancock	.100	[1] .100	
Presidio	.300	[1] .300	
Progresso	.600	[1] .600	
Roma	.650	[1] .650	
Del Rio:			
Lane expansion	1.520	[1] 1.520	
Security	.250	[1] .250	
New station	19.140	2.245	
Los Ebanos	.250	[1] .250	
Eagle Pass: Security/repairs and alterations	4.530	3.128	[1] 1.402
Rio Grande City	.060	[1] .060	

UNITED STATES-MEXICO BORDER FACILITIES CAPITAL IMPROVEMENTS—Continued

[In millions of dollars]

Project	Estimated total cost	Available funding	Fiscal year 1990 recommendation
Hidalgo: Safety/design/repairs and alterations	1.340	[1] 1.340	
Falcon Dam	.710	[1] .710	
Amistad Dam	.150	[1] .150	
Total	303.629	88.924	54.681

[1] Fully funded.

Note.—Total cost estimates for some of the above projects are preliminary.

The Committee is cognizant of the fact that during the course of fiscal year 1990, circumstances unforeseen by the Committee or GSA could arise that may alter the progress of repair and alteration work on the border projects outlined in this report and in the bill. Should GSA, in concert with Customs, INS, Agriculture, the Department of State, and the border trade community agree that the scope or focus of the projects proposed for funding in this bill change, the Committee is to be immediately notified in writing. A full and complete discussion of any such change in the project list outlined above shall take place before any alteration of the Committee project list is undertaken. The Committee also expects to be consulted prior to any alteration of the list of projects initiated in fiscal year 1990 that could affect projects proposed for fiscal year 1991.

The Committee has also included language in the bill that directs the GSA to request reprogramming of any unobligated funds in the Federal buildings fund, up to $10,000,000 in the last quarter of the fiscal year, to provide additional funding for the United States-Mexico border facility improvements program. These additional reprogrammed funds should be used by GSA to accelerate implementation of ongoing projects from prior years; from the list of projects outlined above for fiscal 1990; and to take advantage of unforeseen opportunities to improve border facilities that may not have been identified to date by the Committee. Again, the reprogramming request should be submitted promptly in accordance with the mandated deadline of July 30, 1990, in the bill, fully identifying the projects that will be the focus of the reprogramming recommendation.

PURCHASE CONTRACT PAYMENTS

Appropriations, 1989	$133,000,000
Budget estimate, 1990	129,752,000
House allowance	126,752,000
Committee recommendation	128,752,000

The Committee recommends a limitation of $128,752,000 for purchase contract payments. The Committee recommendation is $1,000,000 below the budget estimate and $2,000,000 above the House allowance.

The Public Buildings Amendments of 1972 enables GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. The purchase contracts require the Government to make periodic payments on these facilities over varying periods until title is transferred to the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired pursuant to the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

RENTAL OF SPACE

Appropriations, 1989	$1,177,532,000
Budget estimate, 1990	1,351,500,000
House allowance	1,351,500,000
Committee recommendation	1,341,736,000

The Committee recommends a limitation of $1,341,736,000 for rental of space. The Committee recommendation is $9,764,000 below the budget estimate and the House allowance.

The General Services Administration is responsible for leasing general purpose space and land incident thereto for Federal agencies, except for cases where GSA has delegated its leasing authority (for example, the Veterans Administration, as well as the Departments of Agriculture, Commerce, and Defense). GSA's policy is to lease privately owned buildings and land only when: (1) Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; (2) leasing proves to be more efficient than the construction or alteration of a Federal building; (3) construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or (4) completion of a new Federal building within a reasonable time cannot be assured.

REAL PROPERTY OPERATIONS

Appropriations, 1989	$882,000,000
1990 amended budget estimate	968,298,000
House allowance	951,253,000
Committee recommendation	948,000,000

The Committee recommends a limitation of $948,000,000 for real property operations. The Committee recommendation is $20,298,000 below the budget estimate and $3,253,000 below the House allowance.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and building services in GSA leased space where the terms of the lease do not require the lessor to furnish such services.

Services included in building operations are cleaning, protection, maintenance, payments for utilities and fuel, grounds maintenance, and elevator operations. Other related supporting services include various real property management and staff support activities such as space acquisition and assignment; the moving of Federal agencies as a result of space alterations in order to provide better space utilization in existing buildings; on-site inspection of building services and operations accomplished by private contractors; and various highly specialized contract administration support functions. The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of rent. Due to considerations unique to their operation, GSA also provides varying levels of above-standard services in agency headquarter facilities, including those occupied by the Executive Office of the President, such as the east and west wings of the White House.

PROGRAM DIRECTION

Appropriations, 1989	$49,000,000
Budget estimate, 1990	70,520,000
House allowance	68,020,000
Committee recommendation	65,520,000

The Committee recommends the budget request of $65,520,000 for program direction. This amount is $5,000,000 below the budget request and $2,500,000 below the House allowance.

The program direction activity provides for the overall general management and administration of programs which are the responsibility of the General Services Administration's Public Buildings Service [PBS] at both the central office and regional levels, including planning, development of policy, and program evaluation and control. It further provides for the costs of essential supporting services for those activities which are funded on a centralized basis, such as nationwide automated data processing services and other common distributable items.

Increases are provided in fiscal year 1990 automated data processing system upgrades and for contractual services to estimate the commercial rent equivalent to be charged tenant agencies occupying both GSA-controlled Federal space and leased space.

DESIGN AND CONSTRUCTION SERVICES

Appropriations, 1989	$130,000,000
Budget estimate, 1990	157,081,000
House allowance	146,302,000
Committee recommendation	152,081,000

The Committee recommends $152,081,000 for the design and construction activity. The Committee recommendation is $5,000,000 below the budget estimate and $5,779,000 above the House allowance.

The design and construction services activity provides for the design, management, and inspection [M&I] of new construction and repairs and alterations projects and nonproject specific technical services. This includes the full range of design and construction services required by the Public Buildings Service [PBS] incident to projects approved under the Public Buildings Act of 1959, as amended, and all related costs such as travel, printing, advertising, and defense of claims against the Government.

The three major functions within the design and construction services activity are:

Design.—A combined narrative and graphic solution to a physical need to renovate or restore an existing facility or construct a new facility. The design process includes the development of detailed plans, specifications, and working drawings which are ultimately marketed for construction award to a responsible contractor; evaluation of soil conditions; and other required surveys and tests.

Management and inspection.—The physical examination of the quantity and quality of materials and workmanship put in place at a construction site to ensure conformance to the requirements of the contract. This function includes project review to ensure adherence to required procurement regulations; safety program enforcement; determination of contract modification needs; development of cost and time estimates; and the evaluation of construction progress to determine contractor payments.

Technical services.—Include planning and administration of the PBS Capital Improvements Program; inspections, surveys, and other activities designed to identify and document potential fire and life safety hazards; building evaluations; scope development; and development of handbooks and other types of program guidance.

The following costs are not financed by this activity: costs for the acquisition of sites and construction of new construction projects which are financed from the construction and acquisition of facilities activity; and costs for the construction phase of repairs and alterations projects which are financed from the repairs and alterations activity. Reimbursable services provided to other agencies for transfer construction projects and reimbursable work authorizations are reflected in the design and construction activity of the reimbursable program.

FEDERAL SUPPLY SERVICE, OPERATING EXPENSES

Appropriations, 1989	$47,000,000
Budget estimate, 1990	47,644,000
House allowance	47,644,000
Committee recommendation	47,644,000

The Committee recommends an appropriation of $47,644,000 for the operating expenses of the Federal Supply Service in fiscal year 1990, the same amount as the House allowance and the budget request.

FUNCTIONS OF THE FEDERAL SUPPLY SERVICE

The Federal Supply Service provides Government-wide direction and coordination of a worldwide supply distribution system; management of supplies and personal property; transportation and travel management; vehicle fleet management; and property management activities for utilization, rehabilitation, and donation of Federal personal property.

Supply.—This activity provides for the operation of a worldwide supply system to contract for and distribute supplies and property to Federal agencies.

Transportation.—The purpose of this activity is to provide a comprehensive and effective Government-wide program for transportation and travel management, transportation audits, operation and maintenance of motor equipment to meet agency requirements, and development and execution of the automotive procurement function of the Government.

The GSA/FSS transportation and travel management programs continue to provide support and dollar savings for Government agencies through negotiated airline city-pair contracts, travel management centers [TMC], hotel/motel discounts, charge card/travelers check program, automated rate and routing processes, the small package express delivery program, audits of transportation claims by and against the U.S. Government, and the long-term Vehicle Lease Contracts Program.

Property management.—This activity manages and operates a Government-wide excess personal property program including the utilization, donation, and sale of property. It encompasses all Government agencies, and provides for utilization of excess property; donation of surplus personal property for public benefit purposes; sale of surplus and exchange/sale of personal property (except DOD property); and rehabilitation and reclamation of Government personal property to extend its useful life.

Service direction.—This activity provides executive leadership, management direction, and nationwide support for a national supply program, a Government-wide program for transportation/travel management and property management within the Federal Supply Service. It also develops policy and provides nationwide support services in the areas of budget administration, financial management, data systems, forecasting, management information systems, and economic analysis.

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

Appropriations, 1989	$10,800,000
Budget estimate, 1990	12,174,000
House allowance	12,174,000
Committee recommendation	12,174,000

The Committee recommends an appropriation of $12,174,000, which is the same as the budget estimate and the House allowance.

The Federal Property Resources Service [FPRS] is responsible for the further utilization by Federal agencies of Government excess real property and for disposal by discount conveyance for public purposes, or by sale, of Government surplus real property. The Real Property Disposition Program is conducted through four regional offices.

Real property.—This activity promotes maximum utilization of real property by Federal agencies and minimizes new procurement of real property by transferring available excess property among agencies. Pursuant to Executive Order 12512, it provides Government-wide policy oversight and guidance for Federal real property management, develops legislative initiatives that seek to improve such management, and conducts real property utilization surveys to identify real property which is not utilized, underutilized and not being put to optimum use, and recommends excessing of such properties. It provides for the economic and efficient disposal of surplus real property by sale, exchange, lease, permit assignment, or transfer for both private and public purposes. This activity provides for the protection and maintenance of excess and surplus property in order to retain maximum value and marketability pending its disposition. It provides for the appraisal of excess and surplus property and establishes the specifications, standards, and methods governing such appraisals. Further, it provides for preparation of land reuse planning studies and environmental and cultural enhancement reviews required in the disposition of real property.

REAL PROPERTY RELOCATION

Appropriations, 1989	$4,000,000
Budget estimate, 1990	10,000,000
House allowance	8,000,000
Committee recommendation	8,000,000

The Committee recommends an appropriation of $8,000,000 for real property relocation activities in fiscal year 1990. This amount is $2,000,000 below the budget request and the same as the House allowance.

The funds requested by the President for this activity will be used to support the goal of the Federal Property Resources Service and the objective of Executive Order 12512, which is to provide for the optimum utilization of federally owned real property. The President has indicated valuable Government-owned property exists that is now underutilized, but which has not been released for disposal by the landholding agencies. This is often due to the high costs of relocating personnel and equipment and of acquiring new facilities.

The President believes that such properties could provide significant revenue if sold, but under current laws the holding agency usually must provide the funds for relocations. For these reasons, agencies are reluctant to release properties for sale regardless of their value and suitability for commercial use. By providing agencies with these funds, an incentive could be established for them to agree to move. Further, long-term savings could result from the operation and maintenance of facilities better suited to agency missions.

Implementation of the relocation program is considered by the President to be an essential part of the overall real property disposal program. The relocation initiative could greatly assist in helping to achieve these goals, thereby reducing the Federal deficit. Any and all potential candidates will be evaluated regardless of the dollar value of the property. The primary consideration will be the economic advantage to the Federal Government; that is, the estimated proceeds from sales versus relocation costs. A minimum return on investment is estimated at 2 to 1; however, it is believed by GSA that a ratio of 4 to 1 or 5 to 1 is achievable.

The Committee is aware of the benefits derived from the real property relocation funding to GSA. Despite the funding reduction of $2,000,000, the Committee remains committed to this very important program.

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 1989	$120,774,000
Budget estimate, 1990	124,297,000
House allowance	140,449,000
Committee recommendation	124,297,000

The Committee recommends an appropriation of $124,297,000, which is $16,152,000 below the House allowance and identical to the budget estimate.

This appropriation provides for policy direction and coordination of all GSA programs by the Administrator, his Deputy, 11 regional administrators, and congressional and external affairs; agencywide acquisition policy, planning, and coordination; and financing of administrative and financial services on a centralized and integrated basis for all GSA programs.

These activities include executive direction, the functions of the Comptroller, administration, functions of the Board of Contract Appeals, legal services, acquisition policy, and field administration.

The increase provided in fiscal year 1990 is necessary to cover the growing costs of salary and benefits for personnel and permit GSA to convert from a leased computer arrangement to procurement through purchase.

The following table outlines how the budget request will be obligated among the four major activities under the "General management and administration" account:

BUDGET ESTIMATES FOR FISCAL YEAR 1990

[Amounts in thousands of dollars]

Activities	Fiscal year—						Increase or decrease (—) for fiscal year 1990					
	1988 actual		1989 program		1990 request		Total changes		Program changes		Other changes	
	Work-years	Amount	Work-years	Amount	Work-years	Amount	Work-years	Amount	Work-years	Amount	Work-years	Amount
Policy direction	344	$26,560	362	$26,100	366	$26,447	4	$347			4	$347
Comptroller	991	52,279	1,001	53,862	1,001	54,613		751				751
Administration	621	38,674	619	37,759	620	40,145	1	2,386		$1,850	1	536
Board of Contract Appeals	36	2,841	46	3,053	46	3,092		39				39
Unobligated balance lapsing		2,146										
Total	1,992	122,500	2,028	120,774	2,033	124,297	5	3,523		1,850	5	1,673
Permanent positions		1,947		1,950		1,955		5				5

LAW CLERK PROGRAM

The General Services Administration is directed to evaluate the advisability of establishing a law clerk program for use within the Board of Contract Appeals and the Office of General Counsel. A study should be conducted to determine the probable effectiveness and cost benefit of utilizing law clerks to aid in carrying out the functions of these GSA organizations. Should it be determined that a law clerk program would make a significant contribution to these programs while being cost beneficial to the Government, an appropriate number of positions and level of funding should be requested for fiscal year 1991.

INFORMATION RESOURCES MANAGEMENT SERVICE

OPERATING EXPENSES

Appropriations, 1989	$31,875,000
Budget estimate, 1990	32,480,000
House allowance	32,480,000
Committee recommendation	32,480,000

The Committee recommends an appropriation of $32,480,000, which is the same as the budget estimate and the House allowance.

This appropriation provides for the overall direction and coordination of comprehensive Governmentwide programs for the management, procurement, and utilization of automated data processing, telecommunications, and office information equipment and services.

Federal information resources management.—The Office of Federal Information Resources Management develops, plans, and directs Governmentwide programs governing the management and acquisition of Federal information resources. The Office also develops and monitors Governmentwide policies and regulations, reviews Federal agencies' implementing programs, and conducts long-range planning and research relating to future Governmentwide information resources management needs.

Central information services.—The Office of Central Information Services manages and directs GSA's Governmentwide information resources assistance programs, the GSA-wide ADP and office automation programs, and the provision of automated information resources within the Information Resources Management Service [IRMS], including the operation and maintenance of the Federal Domestic Assistance Program. The Office also develops and implements Governmentwide information resources assistance policies related to software, hardware, data communications, office automation, and planning, and agencywide policies related to managing ADP and office automation resources.

Information resources procurement.—The Office of Information Resources Procurement directs, administers, and manages the Governmentwide acquisition programs for ADP and telecommunications equipment, software, services, and related items; procures circuit facilities, services, and terminal and special purpose equipment competitively; directs the development of and implements new acquisition techniques and programs for ADP and telecommunications; maintains liaison with industry associations and State, local, and foreign governments in ADP and telecommunications matters; conducts specific economic analyses required by IRMS to achieve its program objectives; represents the Government before State telephone rate commissions when proposed rate changes are determined to have a large impact on Government costs; and manages reimbursable ADP and telecommunications procurement programs financed through the information technology fund.

Office of Telecommunications Services.—The Office of Telecommunications Services manages and directs activities of IRMS that relate to reimbursable telecommunications programs including the present Federal telecommunications system [FTS] and its replacement, FTS 2000, Washington interagency telecommunications system [WITS], the acquisition of telecommunications services, and telecommunications marketing and user services programs. Develops overall telecommunications and regional objectives, long-range plans, comprehensive programs, and organization and operating methods needed to accomplish program objectives.

Information Security Oversight Office.—Executive Order 12356 established a system for all executive agencies to follow when classifying, handling, and declassifying national security information. The order assigned to the Information Security Oversight Office the responsibility for overseeing agency compliance with the provisions of the order.

The Office provides oversight for the information security program established by Executive Order 12356. This involves monitoring the information security programs of approximately 80 executive branch agencies. Major responsibilities include the conduct of onsite reviews and the development and promulgation of directives necessary for implementation of the order. The Oversight Office establishes requirements for reports from agencies, analyzes data received together with data collected from onsite reviews, and advises agencies about any deficiencies and violations. The Office reports annually to the President on the state of the program throughout the executive branch.

National security emergency preparedness.—National Security Decision Directive [NSDD] 201 on national security emergency preparedness [NSEP] telecommunications funding provides for the Department of Defense [DOD] to bill other national communications system [NCS] members, including GSA, for a share of NCS operating costs beginning in fiscal year 1988.

OFFICE OF INSPECTOR GENERAL

Appropriations, 1989	$25,000,000
Budget estimate, 1990	26,500,000
House allowance	26,500,000
Committee recommendation	26,500,000

The Committee recommends an appropriation of $26,500,000 for the Office of the Inspector General, which is the same as the budget estimate and the House allowance.

The Office of Inspector General [OIG] implements in its entirety the provisions of the Inspector General Act.

Consistent with the Inspector General Act, the OIG has been given total responsibility for the audit and investigative functions of the agency. Its mission is to detect and investigate all instances of fraud and abuse and assure that proper corrective action is taken. The Office is also charged with the responsibility for reporting on waste, inefficiency and mismanagement, and making recommendations for improvement.

Audit services provided by the OIG fall within two broad categories: Audits of GSA contracts and internal audits, including inspections. Through the preaward and postaward auditing of GSA contracts, the OIG provides professional advice on accounting and financial matters related to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits deal with all facets of GSA operations.

Inspections services provide detailed technical evaluations of GSA operations. The investigations program provides for the detection and investigation of illegal or unethical activities against GSA by its employees, vendors doing business with the agency, and by other individuals or groups of individuals.

The Inspector General Act also requires that the inspectors general move beyond their traditional role of detecting and preventing fraud, waste, and abuse, to also assume responsibility for promoting economy and efficiency. The GSA Office of Inspector General has a unique role within the Federal structure in that its activities affect all Federal agencies and several State programs. The broadened mandate requires increased emphasis on more effective involvement with other governmental agencies, identification of systemic problems, participation in the design of new programs, review of proposed legislation and regulations, and employee awareness programs.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 1989	$1,431,000
Budget estimate, 1990	1,823,000
House allowance	1,823,000
Committee recommendation	1,823,000

The Committee recommends $1,823,000 for allowances and office staff for former Presidents. This recommendation is the same as the budget request and the House allowance.

This program is authorized by the Former Presidents Act, Public Law 85–745 (3 U.S.C. 102 note), of August 25, 1958, as amended. It provides for an annual pension paid monthly to each former President and each widow of a former President; compensation for staff assistants employed by each former President; and funding for office space, furnishings, and equipment as appropriate (defined under CG Decision B–114073, March 8, 1961). The Supplemental Appropriations Act of October 21, 1968, Public Law 90–608, 82 Stat. 1192, allows for travel and related expenses for each former President and not to exceed two members of his staff. Title 39 U.S.C. 3214 authorizes a former President and widow to send all mail in the United States and its territories as franked mail. Under the Presidential Transition Act, section 3(a)(7), each former President may use penalty mail.

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Richard M. Nixon, Gerald R. Ford, Jimmy Carter, and Ronald Reagan, and for the pension and postal franking privileges for the widow of former President Lyndon B. Johnson. The total request for fiscal year 1990 is $1,823,000, an increase of $392,000 over the fiscal year 1989 level.

Below is listed a detailed breakdown of the fiscal year 1990 budget request:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS, FISCAL YEAR 1990

	Former Presidents				Widows	Total
	Nixon	Ford	Carter	Reagan		
Personnel compensation	$96,000	$93,100	$96,000	$150,000		$435,100
Personnel benefits	19,200	23,000	23,100	33,000		98,300
Benefits for former personnel: Pensions	99,500	99,500	99,500	99,500	$20,000	418,000
Travel	19,600	41,900	10,300	42,000		113,800
Motor pool		2,000	6,200	2,000		10,200
Transportation of things	2,000	2,000		2,000		6,000
Rental payments to GSA	133,000	75,000	76,700	140,000		424,700
Communications, utilities and miscellaneous charges:						
Equipment rental	5,100	2,000		2,000		9,100
Telephone	37,000	56,100	32,100	56,000		181,200
Postage	4,200	8,300	8,400	8,200	2,200	31,300
Printing	2,000	2,900	9,300	2,900		17,100
Other services	4,100	7,100	9,500	7,100		27,800
Supplies and materials	4,000	9,800	11,600	9,800		35,200
Equipment	1,000	4,100	5,100	5,000		15,200
Total obligations	426,700	426,800	387,800	559,500	22,200	1,823,000

GSA GENERAL PROVISIONS

The Committee has recommended the inclusion of certain general provisions contained in the House-passed bill which have been included in previous acts. Those provisions are as follows:

Section 1 permits the Federal buildings fund to be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement included as part of rentals received from Government corporations.

Section 2 allows the GSA to use appropriated funds for the hire of motor vehicles.

Section 3 provides the GSA with authority to transfer up to 1 percent between appropriations accounts with the prior approval of the House and Senate Committees on Appropriations.

Section 4 restricts the transfer of any funds appropriated for activities of the Federal buildings fund.

Section 5 concerns the treatment of Federal Financing Bank transactions.

The Committee also recommended the inclusion of two new general provision contained in the House-passed bill as follows:

Section 7 authorizes the GSA to enter into multiyear lease agreements for motor vehicles so that the GSA may compete for vehicle leasing contracts.

Section 8 authorizes the GSA to provide up to 900,000 square feet of occupiable space for the IRS office located in Memphis, TN.

The Committee has agreed to the following general provisions contained in the House-passed bill, with an amendment as follows:

Section 6 which relates to health and safety conditions at the IRS Manhattan district office building in New York. The provision has been amended to eliminate language requiring action within 90 days.

Section 9 requires the Administrator of General Services to submit a prospectus for consolidation of existing leased space, occupied by the five Navy Systems Commands in Crystal City and Eisenhower Valley in Northern Virginia, and any additional lease requests for the Command in Northern Virginia.

With respect to the IRS, the provision requires a prospectus consolidating existing leased space, and additional space required by the national offices of the IRS. They are currently housed in 16 leased and 4 Government-owned locations in the National Capital Region of IRS.

The Administrator shall obtain the best value for the Government, considering both cost and quality.

The Committee has also included a number of general provisions, as follows, which are not included in the House-passed bill:

Section 10 of the bill which authorizes the conveyance of 89.9 acres of Federal land at Maili, Oahu to the State of Hawaii for educational purposes.

The land to be transferred was at one time occupied by the U.S. Coast Guard. When the Coast Guard moved from the site, the General Services Administration took control of the land and the buildings were demolished. The Committee is advised that the land to be conveyed has no other suitable Federal purpose, and, therefore, has included language in the bill which will transfer title of the Maili lands to the State of Hawaii without consideration.

Section 11 provides for property currently deeded by the United States to Eastern New Mexico University to be leased or sold to the city of Roswell, NM, for educational or training purposes.

Section 12 transfers the Federal building on Cathedral Place in Santa Fe, NM, to the Institute of American Indian and Alaska Native Culture and Arts Development [IAIA], along with the funds made available by this act for repairs and alterations to this building under the GSA "Federal buildings fund" account. This will enable IAIA to bring this building into compliance with health and safety code standards and to re-adapt it for reuse as a museum for the purpose of housing its unique collection of contemporary native American art.

Section 13 of the bill transfers 0.344 acres of land and one building located in Charleston, SC, commonly referred to as the 3 Chisholm Street Gymnasium Building unconditionally to the school district of Charleston County. This will give the school district the flexibility to incorporate this property into their long-range planning so that it can be put to its best use.

Section 14 authorizes the GSA to receive and expend funds provided by other Federal agencies for rental of space activities.

Section 15 limits the obligations of funds for lease to the current fiscal year in which payments are due without regard to section 1341(a)(1)(b) of title 31, United States Code.

Section 16 prohibits the GSA from disposing of certain lands located near Norfolk Lake, AR.

Section 17 prohibits the GSA from disposing of certain lands near Bull Shoals Lake, AR.

Section 18 relates to the establishment of the information technology fund [IT Fund]. Section 110 of the Federal Property Act was amended by the Paperwork Reduction Reauthorized Act of 1986, as included in Public Law 99-591 to establish the information technology fund. The fund's establishment was effective January 1, 1987, and encompassed the assets, liabilities, and capital of the Federal telecommunications fund and the automatic data processing fund.

Paragraph (a)(2) of this newly enacted section provides that levels of funding for capital investments and for operating capital are to be determined through the submission and approval process of planned cost and capital requirements to the Office of Management and Budget [OMB] by GSA. This paragraph further provides that any change in the cost and capital requirements of the fund for a fiscal year shall be made in the same manner as the initial fiscal year determination, and the rates to be charged agencies furnished information technology resources through the fund shall be consistent with the plans approved by OMB. Heretofore, there was no statutory requirement for GSA to submit plans to OMB for the Federal telecommunications fund and the automatic data processing fund.

It is the Committee's view that the new provision for GSA to submit capital and operating plans for the IT Fund to OMB for approval as described in section 110(a)(2) replaces the apportionment requirements under 31 U.S.C. 1512 and 1513. Accordingly, the amendment is proposed to section 110(a)(2) providing that the plans required by this section fulfill the requirements of 31 U.S.C. 1512 and 1513.

MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION

The Committee has taken no action on funding for the Martin Luther King, Jr., Federal Holiday Commission solely for jurisdictional reasons. The Committee believes this is a very important Federal activity deserving of funding. It has been advised that funding for the Commission will be provided in the Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act reported to the Senate.

National Archives and Records Administration

OPERATING EXPENSES

Appropriations, 1989	$121,900,000
Budget estimate, 1990	122,612,000
House allowance	126,612,000
Committee recommendation	126,612,000

The Committee recommends an appropriation of $126,612,000. The Committee recommendation is $4,000,000 above the budget estimate and the same as the House allowance.

The National Archives and Records Administration became an independent agency on April 1, 1985. This appropriation provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, grants for historical publications, and for the review for declassification of all security classified information.

Records center.—The records center activity provides for the accessioning, storage, reference service, and disposal of the semiactive and noncurrent records of Federal agencies through a nationwide system of 14 records centers. Significant savings result from use of low-cost records storage and the efficient and timely disposal of nonpermanent records.

Archives and related services.—This activity provides for selecting, preserving, describing, and making available to the general public, scholars, and Federal agencies, the permanently valuable historical records of the Federal Government and the historical material in Presidential libraries, related publications and exhibit programs, and the appraisal of all Federal records. It also provides for the publication of the Federal Register and Code of Federal Regulations, the U.S. Statutes at Large, Presidential documents, and for a program to improve the quality of regulations and the public's access to them. It provides for the National Audiovisual Center's audiovisual information and management programs. It also provides for the systematic review of all classified records in the National Archives which are over 30 years old, except intelligence and cryptological materials dated after 1945, which are to be reviewed when 50 years old.

National Historical Publications and Records Commission.—The National Historical Publications and Records Commission [NHPRC] reviews and recommends project grants to Federal and State governments and private nonprofit institutions, chiefly universities and research libraries. It makes plans, estimates, and recommendations for the publication of important historical documents and works with various public and private institutions in collecting, editing, and publishing papers significant to the history of the United States. The Commission is composed of members appointed by, and representing, the President, Congress, Supreme Court, executive agencies, and historical and archival societies.

The Committee has recommended $6,000,000 for these grants in fiscal year 1990, an increase of $2,000,000 over the amount provided in fiscal year 1989.

Program direction.—This activity provides for general direction and program support for all programs assigned to the National Archives and Records Administration [NARA]. Direction is provided by the Archivist, his staff, and the Office of Management and Administration.

In 1990, records in the National Archives and Federal Records centers will total approximately 1,500,000 cubic feet. The number of reference services expected to be provided will total 3,125, or an increase of 11 percent over the fiscal year 1989 level.

The level of funding provided by the Committee in fiscal year 1990 includes $5,000,000 for the renovation and expansion of the Herbert Hoover Library/Museum.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 1989	
Budget estimate, 1990	$3,414,000
House allowance	3,414,000
Committee recommendation	3,414,000

The Committee recommends an appropriation of $3,414,000 for salaries and expenses of the Office of Government Ethics in fiscal year 1990. This amount is the same as the budget request and the House allowance.

The Office of Government Ethics is presently a separate division within the Office of Personnel Management. Public Law 100–598 authorized the establishment of the Office as an independent executive branch agency separate and apart from the Office of Personnel Management beginning October 1, 1989. As a result, a new account has been established for the operations of this Office in fiscal year 1990.

The Office of Government Ethics functions primarily in six areas, pursuant to the Ethics in Government Act of 1978. Those areas are:

The funding provided for fiscal year 1990 will provide for a permanent full-time staffing level of 53, an increase of 18 over the fiscal year 1989 level. This increase is necessary to permit the Office to carry out its expanded duties as an independent entity.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Appropriations, 1989	$108,000,000
Budget estimate, 1990	113,668,000
House allowance	113,668,000
Committee recommendation	111,192,000

The Committee recommends a direct appropriation of $111,192,000 for the salaries and expenses of the Office of Personnel Management. The Committee recommendation is $2,476,000 below the budget estimate and the House allowance.

The Office of Personnel Management provides Governmentwide staffing programs to meet the personnel needs of the Federal Government in accordance with law, regulation, and merit principles. Among the staffing services OPM provides are:

Recruiting and special personnel programs.—OPM identifies staffing needs, communicates these needs to potential recruitment sources, and helps agencies solve recruitment problems. It provides the public with information about available Federal employment through OPM regional/area offices, State job services, and publications. Program planning and leadership are also provided for special emphasis programs including those for veterans, Hispanics, other minority groups, women, and the handicapped.

Evaluating applicants.—OPM manages the intake of applications to meet identified recruiting needs. It evaluates candidates for most Federal jobs, maintains applicant inventories, and refers the names of candidates for consideration in response to agencies requests. For some Federal jobs, OPM delegates to other agencies the authority to evaluate and refer applicants, while maintaining an oversight function to ensure adherence to staffing laws.

Establishing standards.—OPM sets standards for the qualifications required for Federal jobs.

Policy development.—Through research and development in job analysis and personnel assessment procedures, OPM enhances the knowledge base which supports Federal personnel practices, policies, and standards, as well as provides leadership and guidance to Federal agencies in applying sound selection and advancement practices.

Administrative law judges.—OPM provides policy direction and evaluation for all personnel aspects for administrative law judges Governmentwide and directs the allocation of these positions.

The Committee has denied the OPM request of $3,473,000 for the Federal executive boards.

HEALTH PROMOTION AND DISEASE PREVENTION

Last year the Committee included language which allowed up to $1,000,000 to be expended by OPM to move forward on ensuring the availability of health promotion and disease prevention activities for Federal employees, as authorized. The Committee has been pleased with the progress that has been made to date and with the administration's efforts to work collaboratively with the Association of Schools of Public Health. The Committee remains supportive of this effort and has included an additional $1,000,000 in the bill for this year's activities. The Committee expects OPM to continue to utilize the expertise of the University of Hawaii and the University of Arizona.

FEHBA—NURSE PRACTITIONERS

The Committee has included bill language modifying the freedom of choice provision of the Federal Employees' Health Benefit Act in order to provide Federal employees and their families with direct access to certified nurse midwives and nurse practitioners/nurse clinical specialists for those services available under their health plan. Currently, the statute provides such recognition for optometrists, psychologists, and clinical social workers. The Committee understands that the most recent data available from the Department of Defense CHAMPUS program, under which these providers are directly recognized, indicated that they account for less than nine one-hundredths of 1 percent of the annual professional service costs. The Committee understands that OPM actively encouraged carriers to offer nurse midwife care as a benefit back in 1982. The intent of this provision is not to modify the health benefit, but to ensure that enrollees have access to a wide range of competent practitioners. Similarly, nothing in the provision should be considered as modifying relevant State law.

LIMITATION

(TRANSFER OF FUNDS)

Appropriations, 1989	$77,017,000
Budget estimate, 1990	81,907,000
House allowance	81,907,000
Committee recommendation	81,907,000

The Committee recommends a limitation of $81,907,000. This amount is the same as the fiscal year 1990 budget request and the House allowance.

These funds will be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs.

Office of Inspector General

SALARIES AND EXPENSES

Appropriations, 1989	
Budget estimate, 1990	$2,918,000
House allowance	2,918,000
Committee recommendation	2,918,000

The Committee recommends an appropriation of $2,918,000 for salaries and expenses of the Office of Inspector General in fiscal year 1990. This amount is the same as the budget estimate and the House allowance.

The Office of the Inspector General was established as a statutory entity under the Inspector General Act Amendments of 1988, Public Law 100-504, effective April 16, 1989. The Office of the Inspector General is charged with establishing policies for, conducting and coordinating efforts which promote economy, efficiency, and integrity in the Office of Personnel Management's activities which prevent and detect fraud, waste, and abuse in the agency's programs. Furthermore, as a means of assuring that inspector general offices maintain the ability to function independently within the overall structure of their agencies, the 1988 legislation required a direct semiannual reporting structure among the inspector general and the agency head and Congress and allowed inspectors general to perform a number of internal management functions, such as budget, personnel, and procurement, separate and apart from the agencies existing systems. The Office of Inspector General carries out its programmatic mandate in three principal operational areas: audits and inspections of OPM activities and operations; investigations; and followup and reporting.

The funding provided in fiscal year 1990 will provide a permanent full-time staffing level of 52 for the Office of Inspector General. Program changes for fiscal year 1990 include an increase of $300,000 and 5 FTE's to establish a criminal investigations function in the Office of Inspector General; an increase of $450,000 and 16 FTE's to audit OPM's operation of the retirement and insurance programs for Federal employees and the financial management of the retirement, health benefits, and life insurance trust funds; an increase of $200,000 and 5 FTE's to implement a system of performance audits; and an increase of $203,000 and 5 FTE's to carry out the reporting, audit followup, and independent internal management functions created in the authorizing legislation.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Appropriations, 1989	$2,374,414,000
Budget estimate, 1990	3,780,169,000
House allowance	3,780,169,000
Committee recommendation	3,780,169,000

The Committee recommends an appropriation of $3,780,169,000 for Government payments for annuitants, employees health benefits. The Committee recommendation is identical to the budget estimate and the House allowance.

This appropriation funds the Government's share of health benefit costs for annuitants and survivors who no longer have an agency to contribute the employer's share. The Office of Personnel Management requests the appropriation necessary to pay this contribution to the employees health benefits fund and the retired employees health benefits fund. These trust revolving funds are available for: (1) the payment of subscription charges to approved carriers for the cost of health benefits protection; (2) contributions for qualified retired employees and survivors who carry private health insurance under the Retired Employees Health Benefits Program; and (3) the payment of expenses incurred by the Office of Personnel Management in the administration of these programs.

Public Law 93-246 provides for Government contributions to enrollees in the Employees Health Benefits Program equal to 60 percent of the unweighted average of the high option premiums of six large plans. The total obligations for fiscal year 1989 reflect the use of payments made by the U.S. Postal Service to the employees health benefits fund to finance the cost of the Government's contribution for annuitant's health benefits as provided in Public Law 100-203. In addition, Public Law 99-272 provides that the Government contribution for health benefits for individuals who first become annuitants by reason of retirement from employment with the U.S. Postal Service on or after October 1, 1986, shall be paid by the U.S. Postal Service. The requested increase of $311,342,000 in fiscal year 1989 is necessary to provide for the growing number of enrollees and the estimated impact of premium increases effective in January 1989.

This appropriation also provides financing for the Government's share of health benefit costs for annuitants and survivors covered under the Retired Employees Health Benefits Program. Public Law 96-156 provides for increased Government contributions toward the subscription charge for health coverage, tied to increases in the cost of part B (medical) of Medicare, for those annuitants who retired prior to July 1, 1960.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

Appropriations, 1989	
Budget estimate, 1990	$2,700.000
House allowance	2,700,000
Committee recommendation	2,700,000

The Committee recommends an appropriation of $2,700,000 for the Government payment for annuitants, employee life insurance in fiscal year 1990. This amount is the same as the budget request and the House allowance.

Public Law 96-427, the Federal Employees' Group Life Insurance Act of 1980 requires that all employees under the age of 65 who separate from the Federal Government for purposes of retirement on or after January 1, 1990, continue to make contributions toward their basic life insurance coverage after retirement until they reach the age of 65. These retirees will contribute two-thirds of the cost of the basic life insurance premium, identical to the amount contributed by active Federal employees for basic life insurance coverage. As with the active Federal employees, the Government is required to contribute one-third of the cost of the premium for basic coverage. OPM, acting as the payroll office on behalf of Federal retirees, has requested and the Committee has provided, the $2,700,000 necessary to make the required Government contribution associated with annuitants' postretirement life insurance coverage.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 1989	$4,858,668,000
Budget estimate, 1990	5,211,732,000
House allowance	5,211,732,000
Committee recommendation	5,211,732,000

The Committee recommends an appropriation of $5,211,732,000 for payment to the civil service retirement and disability fund. The Committee recommendation is identical to the budget estimate and the House allowance.

The civil service retirement and disability fund was established in 1920 to administer the financing and payment of annuities to retired Federal employees and their survivors. In fiscal year 1990 the fund will serve approximately 2,800,000 active employees, 1,600,000 annuitants, and survivors and will make benefit payments in excess of $31,000,000,000. The fund covers the operation of the Civil Service Retirement System and the Federal Employees Retirement System.

The payment to civil service retirement and disability fund consists of an appropriation and a permanent indefinite authorization to pay the Government's share of retirement costs as defined in the Civil Service Retirement Amendments of 1969 (Public Law 91-93), the Federal Employees' Retirement System Act of 1986 (Public Law 99-335), and the Civil Service Retirement Spouse Equity Act of 1985 (Public Law 98-615). The payment is made directly from the

General Fund of the U.S. Treasury, and is in addition to appropriated funds that will be contributed from agency budgets in fiscal year 1990.

Public Law 91-93 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises. However, the effects of cost-of-living adjustments are not amortized. The total current appropriation for fiscal year 1990 ($5,211,732,000) is the sum of the annual payments authorized since the law was enacted in 1969 ($5,211,732,000) plus funding for the annuities of persons employed on the construction of the Panama Canal and widows of former Lighthouse Service employees ($589,000). The total fiscal year 1990 current appropriation request represents an increase of $353,064,000 from the amount requested for fiscal year 1989 primarily due to increases in employees' pay.

Public Law 91-93 also provides permanent, indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the civil service retirement and disability fund's current unfunded liability, calculated based on static economic assumptions ($9,132,211,000) and annuity disbursements attributable to credit for military service ($2,434,687,000). It includes a payment in accordance with Public Law 98-61 which provides for the Secretary of the Treasury to transfer an amount equal to the annuities granted to eligible former spouses of annuitants who died between September 1978 and May 1985 and who did not elect survivor coverage ($15,100,000).

The permanent indefinite authorization in fiscal year 1990 will total $11,911,998,000, an increase of $259,646,000 from fiscal year 1989.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

Appropriations, 1989	$20,488,000
Budget estimate, 1990	20,987,000
House allowance	20,987,000
Committee recommendation	20,987,000

The Committee recommends an appropriation of $20,987,000 for the Merit Systems Protection Board. The Committee recommendation is identical to the budget estimate and the House allowance.

The Merit Systems Protection Board is an independent, quasi-judicial agency, charged by Congress with protecting the integrity of Federal merit systems against partisan political and other prohibited personnel practices, ensuring adequate protection for employees against abuses by agency management, and requiring executive branch agencies to make employment decisions based on individual merit. This mission is carried out principally by: (a) adjudicating employee appeals of agency personnel actions, such as removals, suspensions, demotions, and other appealable actions; (b) adjudicating actions brought by the special counsel involving alleged abuses of the merit systems; (c) ordering compliance with final orders where necessary; (d) conducting special studies of the civil service and other merit systems in the executive branch to determine whether they are free of prohibited personnel practices; (e) analyzing and reporting on the significant actions of the Office of Personnel Management [OPM]; and (f) reviewing regulations issued by OPM to ensure they do not require or result in the commission of a prohibited personnel practice.

SUMMARY BY BUDGET ACTIVITY

[Dollars in thousands]

	1988		1989		1990	
	FTE	Amount	FTE	Amount	FTE	Amount
Regional operations	123	$7,593	130	$8,637	130	$8,848
Appeals	36	2,198	43	2,604	43	2,667
Legal	22	1,335	26	1,583	26	1,621
Case decision and program management	115	7,277	130	7,664	130	7,851
Total	296	18,403	329	20,488	329	20,987

LIMITATION

(TRANSFER OF FUNDS)

Appropriations, 1989	$1,400,000
Budget estimate, 1990	1,450,000
House allowance	1,450,000
Committee recommendation	1,450,000

The Committee has recommended a limitation of $1,450,000 on the amount to be transferred from the civil service retirement and disability fund to the Board to cover administrative expenses to adjudicate retirement appeals cases. This amount is identical to the House allowance and the budget request.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

Appropriations, 1989	$5,000,000
Budget estimate, 1990	5,142,000
House allowance	5,142,000
Committee recommendation	5,142,000

The Committee recommends an appropriation of $5,142,000 for the Office of Special Counsel. The Committee recommendation is the same as the budget estimate and the House allowance.

The Office of the Special Counsel of the U.S. Merit Systems Protection Board is charged with enforcement of certain provisions of the Civil Service Reform Act of 1978 (Public Law 95–454 and 5 U.S.C. 1204–1208). The primary functions of the office are: (1) to investigate and, if appropriate, prosecute prohibited personnel practices and activities prohibited by other civil service law, rule, or regulation; (2) to investigate and, if appropriate, prosecute prohibited political activities on the part of Federal and covered State and local employees; and (3) to provide employees a protected means of disclosing information concerning wrong doing in Federal agencies with assurance that the confidentiality of the discloser will be maintained and that appropriate action will be taken.

The statute requires OSC to investigate and, if warranted, prosecute: all allegations of prohibited personnel practices, including reprisal for protected disclosures of information; prohibited political activity; arbitrary or capricious withholding of information under the Freedom of Information Act; involvement of any employee in any prohibited discrimination found by any court or appropriate administrative authority; and any other activity prohibited by civil service law, rule, or regulation. OSC also provides a safe channel for disclosure of information evidencing waste, fraud, and abuse and referral of such information to agencies.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

Appropriations, 1989	$17,540,000
Budget estimate, 1990	17,500,000
House allowance	17,500,000
Committee recommendation	17,680,000

The Committee recommends an appropriation of $17,680,000 for the Federal Labor Relations Authority [FLRA]. The Committee recommendation is $180,000 above the budget estimate and the House allowance.

The FLRA was established to administer title VII of the Civil Service Reform Act of 1978 and to serve as a neutral third party in the resolution of labor-management disputes arising among unions, employees, and Federal agencies. The effective resolution of these labor-management disputes has an important impact on the operations of the Government. These disputes arise with nearly all agencies of the executive branch, and the Library of Congress and the Government Printing Office, in locations throughout the United States and overseas. Further, the FLRA is charged with resolution of labor-management disputes among all employees, both United States citizens and foreign nationals, of the Panama Canal area.

Authority members.—Provides leadership in the establishment of policies and guidance relating to matters under title VII of the Civil Service Reform Act of 1978. Specifically, the authority is empowered to: (1) determine the appropriateness of units for labor organization representation; (2) supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a majority of the employees in an appropriate unit; (3) otherwise administer the provisions relating to the according of exclusive recognition to labor organizations; (4) prescribe criteria and resolve issues relating to the granting of national consultation rights; (5) prescribe and resolve issues relating to determining compelling need for agency rules and regulations; (6) resolve issues relating to the duty to bargain in good faith; (7) prescribe criteria relating to the granting of consultation rights with respect to conditions of employment; (8) conduct hearings involving complaints of unfair labor practices; (9) resolve exceptions to arbitrators' awards; and (10) take such other actions as necessary and appropriate to effectively administer the provisions of title VII of the Civil Service Reform Act of 1978.

General Counsel.—Has discharged responsibilities mandated in the Federal service-management relations statute and additional responsibilities which are delegated from the authority. The functions of the Office of the General Counsel are to: (1) investigate all alleged unfair labor practices under the Federal service labor-management relations statute and under the foreign service labor-management relations statute; (2) exercise final authority over the issuance of all complaints and the prosecution of all complaints arising under the statutes listed above; (3) review and decide all appeals of decisions of the regional directors refusing to issue complaint; (4) exercise delegated authority for investigating and taking dispositive action on all representation petitions; (5) exercise delegated authority for supervising or conducting all representation elections and certifying the results of these elections to the parties; (6) exercise delegated authority for conducting hearings in all representation petitions where issues of fact are in dispute; (7) exercise delegated authority for the preparation of final decisions and orders based on the hearings held in representation cases; and (8) manage regional offices, including directing and supervising all employees of the regional offices. The regional offices are located in Boston, New York, Atlanta, Chicago, Dallas, Denver, Los Angeles, San Francisco, and Washington, DC. Subregional offices are located in Philadelphia and Cleveland.

Federal services impasses panel [FSIP].—An entity within the FLRA, assists Federal agencies and unions representing Federal employees in resolving impasses which arise in labor negotiations. The FSIP assists the parties through informal meetings, factfinding and, if necessary arbitration. The professional staff aids the panel members by promptly investigating requests for assistance; bringing about informal settlements; and conducting factfinding and arbitration hearings; and drafting report recommendations as well as binding decisions for the FSIP members. Further, the staff supports the foreign service impasses disputes panel in resolving negotiation impasses arising under the Foreign Service Act of 1980.

The additional $180,000 provided for fiscal year 1990 will restore funding for five full-time equivalent staffing positions for the Office of the General Counsel proposed for reduction by the administration.

U.S. TAX COURT

SALARIES AND EXPENSES

Appropriations, 1989	$29,345,000
Budget estimate, 1990	28,120,000
House allowance	28,120,000
Committee recommendation	28,120,000

The Committee recommends an appropriation of $28,120,000 for the U.S. Tax Court. The Committee recommendation is the budget estimate and the House allowance.

The U.S. Tax Court is an independent judicial body in the legislative branch under article I of the Constitution of the United States. The court is composed of a chief judge and 18 judges. Decisions by the court are reviewable by the U.S. Courts of Appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases, and by special trial judges, who hear small tax cases and certain regular cases assigned to them by the chief judge. During fiscal year 1988, 8 senior judges and up to 17 special trial judges will be serving on the court.

The Court conducts trial sessions throughout the United States, including Hawaii and Alaska.

The U.S. Tax Court hears and decides cases involving Federal income, estate and gift tax deficiencies and excise taxes relating to public charities, private foundations, qualified pension plans, real estate investment trusts, and windfall profit tax on domestic crude oil. It also renders declaratory judgments regarding the qualification or continuing qualification (including revocations of rulings on the exemptions) of retirement plans.

The Tax Court has jurisdiction to render declaratory judgments with respect to exempt organization status determinations pursuant to section 501(c)(3), Internal Revenue Code, and to enter declaratory judgments on the tax treatment of interest on proposed issues of Government obligations. In addition, the court has jurisdiction over actions to restrain disclosure and to obtain additional disclosure with respect to public inspection of written determinations issued by the Internal Revenue Service, and actions to compel the disclosure of the identity of third-party contacts relating to written determinations made by the Internal Revenue Service.

For 1990, the court proposes a trial program of 400 weeks consisting of 230 weeks of regular trial sessions and 170 weeks of small tax case sessions. Trials are held in approximately 80 cities throughout the United States. Ninety to ninety-five percent of the Federal tax trial work occurs in the U.S. Tax Court.

The actual and estimated work volume of the court is presented in the following tabulation:

	1988 actual	1989 estimate	1990 estimate
Pending, beginning year	81,549	67,491	55,891
Docketed during year	32,701	33,000	33,000
Reopened during year	406	400	400
Disposed of during year	47,165	45,000	42,000
Pending, end of year	67,491	55,891	47,291

STATEMENT CONCERNING GENERAL PROVISIONS

Traditionally, the Treasury, Postal Service, and General Government appropriation bill has included general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, activities of agencies, programs, and general government activities that are not covered by the bill. Those general provisions that are Governmentwide in scope are contained in title VI of this bill.

The bill contains a number of general provisions that have been carried in this bill for years and which are routine in nature and scope. At the same time, the Committee has included a number of new general provisions in the bill which are explained under this section of the report. Those general provisions that deal with a single agency only are shown immediately following that particular agency or departments appropriation accounts in the bill. Those general provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title V of the bill.

TITLE V—GENERAL PROVISIONS

THIS ACT

The Committee has recommended retention of the following title V general provisions contained in the House-passed bill:

Section 501 regarding certain employment practices regarding veterans;

Section 502 regarding establishment of offices outside of the District of Columbia;

Section 503 limiting the use of appropriated funds to the current fiscal year;

Section 504 regarding consultant services;

Section 505 that addresses a "Buy America" provision regarding the procurement of hand or measuring tools;

Section 506 regarding employment of veterans in certain jobs performed in Federal buildings, with an amendment;

Section 507 regarding the advertising of wine and distilled spirits;

Section 508 regarding the elimination of existing requirements for surety bonds;

Section 509 regarding enforcement of section 307 of the Tariff Act;

Section 510 prohibiting the transfer of control over the Federal Law Enforcement Training Center, and modifies language to include Marana, AZ;

Section 511 regarding the use of funds for certain propaganda purposes;

Section 512 prohibiting use of funds appropriated in this act from being used to prevent certain Federal employees from contacting their Congressman;

Section 513 prohibiting abortion coverage in Federal employees health plans except under certain circumstances;

Section 514 addresses certain conditions placed upon the language contained in section;

Section 515 prohibits the use of funds to close or consolidate executive seminar centers for the Office of Personnel Management;

Section 516 relates to the U.S. courts in Tacoma, WA;

Section 517 providing that funds in this act shall be available as authorized by 5 U.S.C. 4501–4506;

Section 518 which grants special pay relief to certain Federal employees under certain circumstances;

Section 519 regarding limitation on use of funds to contract out positions or downgrade the position classification of the Bureau of Engraving and Printing Police Force;

Section 520 permits the Office of Personnel Management to accept donations for the Federal Executive Institute; and

Section 521 directs OMB to change the title of a metropolitan statistical area in Pennsylvania.

The Committee has included the following title V general provisions which were not included in the House-passed bill:

Section 522 authorizes the Director of the Bureau of Alcohol, Tobacco and Firearms to increase base pay by up to 25 percent for employees who are proficient in one or more languages.

Section 523 authorizes the Secret Service to reimburse municipalities and political subdivisions of a State, in a limited manner, for law enforcement activities related to the permanent residence of the President.

The Committee understands that there is a serious financial burden imposed on the small town of Kennebunkport, ME, when the President stays at his primary residence located there. The town recently informed the President that it could no longer provide for his protection as it had exhausted available funds.

The Committee is concerned that the expenses incurred by the town are incurred as a direct result of assistance requested by the Secret Service detailed to the area. In that regard, the Committee believes that the protection of the President should be of primary concern and that given the town's inability to raise the funds to adequately fulfill requests by the Secret Service, $160,000 shall be appropriated to the municipality.

Therefore, the Secret Service has been granted limited authority to reimburse the town and funds have been provided for that purpose up to $160,000.

Section 524 that addresses a "Buy America" provision regarding the procurement of stainless steel flatware.

Section 525 relates to section 89 of the U.S. Internal Revenue Code. The Committee believes that strong action is necessary to insure the well-being of our Nation's small businesses. Health insurance benefits play an integral role in that well-being. The Committee has expressed its concern by including language that prevents the use of any moneys in this act to enforce or issue any regulations concerning any of the provisions of section 1151 of the Tax Reform Act of 1986 which relate to section 89 of the U.S. Internal Revenue Code. While this measure is not a repeal of section 89, it provides, in effect, a 1-year moratorium on section 89 enforcement. The Committee intends that nonprofit corporations and State and local governments shall be afforded the same protections granted to individuals required to file tax returns.

Section 526 amends the Customs Service asset forfeiture fund, subsection (a)(3)(F) of 19 U.S.C. 1613b, to expand the authorized use of the fund to provide for reimbursement to State and local law enforcement agencies for a far broader range of law enforcement activities that are aimed at interdicting the flow of illegal narcotics and dangerous drugs into the United States.

The change is designed to authorize reimbursement to State and local law enforcement agencies from the asset forfeiture fund, for all extraordinary expenses incurred by them while operating with or assisting the Customs Service in task force operations like Operation Alliance. At a minimum, $6,000,000, but not to exceed $10,000,000, will be made available from the fund to reimburse

State and local law enforcement agencies involved in these talk forces with the Customs Service.

The Customs Service will report to the Committee on the resources provided to State and local law enforcement agencies. The report shall include: the amount of resources transferred, the types of resources transferred, the recipients of the resources and the uses to which the resources will be applied. The Customs Service shall report to the Committee 6 months from the date of the provision's enactment and every 6 months thereafter.

Section 527 requires absorption of the Federal employee cost-of-living adjustment within the amounts provided for each agency.

TITLE VI—GENERAL PROVISIONS

Departments, Agencies, and Corporations

The Committee has included all of the sections contained in the title VI general government provisions section of the House bill except for the following House numbered sections:

Section 605, which allows certain Government corporations to rent space in the District of Columbia and hire consultants;

Section 614, placing a limitation on certain Federal employees office renovation, furnishing, and redecoration expenses;

Section 617, pertaining to contracts for the manufacture of distinctive paper for U.S. currency and securities; and

Section 618, providing temporary authority to transfer leave (a Federal leave-sharing program for Federal employees is now permanent law).

The Committee has included the following general provisions in the bill which were not contained in the House-passed bill:

Section 608 relates to employment of guards for all buildings and areas owned or occupied by the Postal Service.

Section 620 requires the identification of the amount of funds contributed to all projects and programs by the Federal Government.

Section 621 relates to the use of fiscal year 1990 funds for the interagency funding of national security and emergency preparedness telecommunications which benefit multiple Federal departments or agencies.

Section 622 clarifies the rank and pay of Senior Executive Service employees.

The Committee has modified the following general provisions which were included in the House-passed bill:

Section 601 raises the amount that may be used to purchase vehicles.

Section 610 directs the General Services Administration to charge the rates per square foot (that is, approximate commercial charges) established for space and services pursuant to the Federal Property and Administrative Services Act of 1949, as amended. If funds made available to agencies are not commensurate with the established rates, the amount of space and services provided will be reduced as necessary to maintain the integrity of the rate structure.

COMPLIANCE WITH RULE XXVI, PARAGRAPH 7(c), OF THE STANDING RULES OF THE SENATE

The Committee ordered reported the bill by a unanimous vote of 29 to 0.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an exiting law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

In title I the Committee recommends the following appropriations which lack authorization:

$83,091,000 for Departmental Offices, salaries and expenses;

$36,277,000 for Federal Law Enforcement Training Center, salaries and expenses;

$20,783,000 for Federal Law Enforcement Training Center, acquisition, construction, improvements and related expenses;

$289,695,000 for Financial Management Service, salaries and expenses;

$257,565,000 for Bureau of Alcohol, Tobacco and Firearms, salaries and expenses;

$1,059,634,000 for U.S. Customs Service, salaries and expenses;

$231,728,000 for U.S. Customs Service, operation and maintenance, air interdiction program;

$50,735,000 for the U.S. Mint, salaries and expenses;

$244,316,000 for the Bureau of the Public Debt;

$72,382,000 for the Internal Revenue Service, salaries and expenses;

$1,946,003,000 for the Internal Revenue Service, processing tax returns;

$1,911,301,000 for the Internal Revenue Service, examinations and appeals;

$1,612,809,000 for the Internal Revenue Service, investigation, collection and taxpayer service; and

$360,785,000 for the U.S. Secret Service, salaries and expenses.

In title IV the Committee recommends the following appropriations which lack authorization:

General Services Administration:
  New construction projects:
    Alaska:
      Skagway, Border Station, $4,110,000
    Iowa:
      Ames, a grant to establish a midwest Supercomputer Access Center at Iowa State University, $5,000,000
    Kansas:
      Kansas City, Federal Building, Courthouse, Site, $200,000
    Maryland:
      Prince George's County Federal Courthouse, Site and Design, $4,700,000
    Massachusetts:
      Boston, Federal Building, Claim, $2,930,000

Woods Hole, a grant for the development of the Marine Biomedical Institute for Advanced Studies, $2,000,000

Minnesota:

International Falls, Border Station, $1,472,000

Nebraska: Lincoln, a grant for expansion of the Eppley Institute for Research in Cancer and Allied Diseases, $5,000,000

New Mexico:

Alamogordo, Grant to the New Mexico State University, Primate / Research Institute, Site and Facilities, to be constructed on a site leased from the United States Air Force at Holloman Air Force Base, $5,000,000

Virgin Islands:

St. Croix, Federal Building, Courthouse, $8,827,000

Repairs and Alterations:

Alabama:

Mobile, Federal Building, $1,581,000

Alaska:

Juneau, Federal Building, Courthouse, Post Office, $12,258,000

California:

Los Angeles, Federal Building, Post Office, 11000 Wilshire Blvd., $7,700,000

Los Angeles, Courthouse, 312 Spring Street, $5,302,000

San Francisco, Federal Building, Courthouse, 450 Golden Gate Avenue, $13,450,000

Colorado:

Denver, Byron G. Rogers Federal Building, Courthouse, $8,614,000

Lakewood, Denver Federal Center, Building 810, $7,841,000

District of Columbia:

General Services Administration Headquarters, $19,000,000

J. Edgar Hoover Federal Building, $9,800,000

Housing and Urban Development, $9,500,000

Old Executive Office Building, $18,000,000

Florida:

St. Petersburg, Federal Building, $3,637,000

Georgia:

Macon, Federal Building, Courthouse, $1,765,000

Illinois:

Chicago, Customhouse, $9,596,000

Chicago, Everett M. Dirksen Federal Building, Courthouse, $2,833,000

Chicago, Federal Building, 536 S. Clark Street, $11,102,000

Danville, Federal Building, Courthouse, $2,627,000

Massachusetts:

Boston, John F. Kennedy Federal Building, $9,700,000

Michigan:

Detroit, Federal Building, Courthouse, $2,580,000

Minnesota:

Fort Snelling, Bishop Henry Whipple Federal Building, $4,728,000

Missouri:

Overland, Adjutant General Personnel Center, $1,940,000

Overland, Federal Records Center, $7,691,000

New Mexico:

Santa Fe, Federal Building, Cathedral Place at Palace, $2,130,000

New York:

Brooklyn, Emmanuel Cellar Federal Building, Cadman Plaza, $5,100,000

North Carolina:

Asheville, Grove Arcade Federal Building, $3,016,000

Pennsylvania:

Philadelphia, James A. Byrne Courthouse, $7,801,000

Philadelphia, William J. Greene, Jr., Federal Building, $6,774,000

Philadelphia, Robert N.C. Nix, Sr., Federal Building, $2,630,000

Pittsburgh, William S. Moorhead Federal Building, $7,850,000

Tennessee:

Chattanooga, Joel W. Solomon Federal Building, Courthouse, $3,033,000

Jackson, Post Office, Courthouse, $2,433,000

Texas:

Fort Worth, Fritz G. Lanham Federal Building, $4,834,000

Virginia:

Charlottesville, Federal Executive Institute, $2,100,000

Wisconsin:

Milwaukee, Federal Building, Courthouse, $3,548,000

Capital Improvements of United States-Mexico Border Facilities, $54,681,320

Other GSA projects/provisions:

Lease/purchase of EPA and city of Baltimore or City of Woodlawn, MD, building projects.

Grants in Federal buildings fund for university facilities.

$800,000 set aside within "General management and administration" account for certain costs in support of congressional district and Senate State offices.

$10,000 earmarked within "Office of Inspector General" account for payment for information and detection of fraud against the Government; and $2,500 earmarked in this account for awards to individuals for Office of Inspector General enhancement initiatives.

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

Section 8 of the bill amends section 8 of Public Law 100-440, as follows:

> SEC. 8. (a) LEASE-PURCHASE AGREEMENT.—The Administrator of General Services shall acquire from the State of Tennessee or a political subdivision thereof by lease-purchase a building to house the Internal Revenue Service Center in Memphis, Tennessee, and such other Federal agencies as may be appropriate.
>
> (b) LIMITATIONS.—
>
> (1) SIZE.—The building to be acquired under subsection (a) may not exceed [600,000] *900,000* gross square feet in size plus such additional space as may be necessary for parking.
>
> [(2) COST.—The total cost of the lease-purchase agreement under this section to the United States may not exceed $36,000,000, plus reasonable interest thereon, as well as operating costs, if applicable.]
>
> (3) TERM.—The term of the lease-purchase agreement under this section may not exceed thirty years. The agreement shall provide that ownership of the building will vest in the United States on or before the end of such term.
>
> (4) OBLIGATION OF FUNDS.—Obligations of funds under this section shall be limited to the current fiscal year for which payments are due without regard to section 1341(a)(1)(B) of title 31, United States Code.
>
> (c) SALE OF LEASEHOLD INTEREST.—The Administrator of General Services shall sell any leasehold or other interest which the United States has in the building which is pro-

viding office space for the Internal Revenue Service Center in Memphis, Tennessee, and shall deposit the proceeds from such sale in the Federal Buildings Fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949.

Section 18 of the bill amends section 110 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757), as follows:

> (a)(2) The administrator shall determine the cost and capital requirements of the Fund for each fiscal year and shall submit plans concerning such requirements and such other information as may be requested for the review and approval of the Director of the Office of Management and Budget. Any change to the cost and capital requirements of the Fund for a fiscal year shall be made in the same manner as provided by this section for the initial fiscal year determination. If approved by the Director, the Administrator shall establish rates to be charged agencies provided, or to be provided, information technology resources through the Fund consistent with such approvals. Such costs and capital requirements may include funds—
>
> (A) needed for the purchase if the Administrator has determined that purchase is the least costly alternative of information processing and transmission equipment, software systems, and operating facilities necessary for the provision of such services;
>
> (B) resulting from operations of the Fund, including the net proceeds of disposal of excess or surplus personal property and receipts from carriers and others for loss or damage to property; and
>
> (C) which are appropriated, authorized to be transferred, or otherwise made available to the Fund.
>
> *These plans fulfill the requirements of 31 U.S.C. 1512 and 1513.*

31 U.S.C. 1512 and 1513 are as follows:

> **§ 1512. Apportionment and reserves**
>
> **(a)** Except as provided in this subchapter, an appropriation available for obligation for a definite period shall be apportioned to prevent obligation or expenditure at a rate that would indicate a necessity for a deficiency or supplemental appropriation for the period. An appropriation for an indefinite period and authority to make obligations by contract before appropriations shall be apportioned to achieve the most effective and economical use. An apportionment may be reapportioned under this section.
>
> **(b)(1)** An appropriation subject to apportionment is apportioned by—
>
> **(A)** months, calendar quarters, operating seasons, or other time periods;
>
> **(B)** activities, functions, projects, or objects; or
>
> **(C)** a combination of the ways referred to in clauses (A) and (B) of this paragraph.

(2) The official designated in section 1513 of this title to make apportionments shall apportion an appropriation under paragraph (1) of this subsection as the official considers appropriate. Except as specified by the official, an amount apportioned is available for obligation under the terms of the appropriation on a cumulative basis unless reapportioned.

(c)(1) In apportioning or reapportioning an appropriation, a reserve may be established only—

(A) to provide for contingencies;

(B) to achieve savings made possible by or through changes in requirements or greater efficiency of operations; or

(C) as specifically provided by law.

(2) A reserve established under this subsection may be changed as necessary to carry out the scope and objectives of the appropriation concerned. When an official designated in section 1513 of this title to make apportionments decides that an amount reserved will not be required to carry out the objectives and scope of the appropriation concerned, the official shall recommend the rescission of the amount in the way provided in chapter 11 of this title for appropriation requests. Reserves established under this section shall be reported to Congress as provided in the Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.).

(d) An apportionment or a reapportionment shall be reviewed at least 4 times a year by the official designated in section 1513 of this title to make apportionments.

§ 1513. Officials controlling apportionments

(a) The official having administrative control of an appropriation available to the legislative branch, the judicial branch, the United States International Trade Commission, or the District of Columbia government that is required to be apportioned under section 1512 of this title shall apportion the appropriation in writing. An appropriation shall be apportioned not later than the later of the following:

(1) 30 days before the beginning of the fiscal year for which the appropriation is available; or

(2) 30 days after the date of enactment of the law by which the appropriation is made available.

(b)(1) The President shall apportion in writing an appropriation available to an executive agency (except the Commission) that is required to be apportioned under section 1512 of this title. The head of each executive agency to which the appropriation is available shall submit to the President information required for the apportionment in the form and the way and at the time specified by the President. The information shall be submitted not later than the later of the following:

(A) 40 days before the beginning of the fiscal year for which the appropriation is available; or

(B) 15 days after the date of enactment of the law by which the appropriation is made available.

(2) The President shall notify the head of the executive agency of the action taken in apportioning the appropriation under paragraph (1) of this subsection not later than the later of the following:

(A) 20 days before the beginning of the fiscal year for which the appropriation is available; or

(B) 30 days after the date of enactment of the law by which the appropriation is made available.

(c) By the first day of each fiscal year, the head of each executive department of the United States Government shall apportion among the major organizational units of the department the maximum amount to be expended by each unit during the fiscal year out of each contingent fund appropriated for the entire year for the department. Each amount may be changed during the fiscal year only by written direction of the head of the department. The direction shall state the reasons for the change.

(d) An appropriation apportioned under this subchapter may be divided and subdivided administratively within the limits of the apportionment.

(e) This section does not affect the initiation and operation of agricultural price support programs.

Section 526 of the bill amends section 613A, subsection (a)(3)(F), of the Tariff Act of 1930 (19 U.S.C. 1613 b) as follows:

(3) In addition to the purposes described in paragraph (1), the Fund shall be available for—

(A) purchases by the United States Customs Service of evidence of—

(i) smuggling of controlled substances, and

(ii) violations of the currency and foreign transaction reporting requirements of chapter 51 of title 31 United States Code, if there is a substantial probability that the violations of these requirements are related to the smuggling of controlled substances;

(B) equipment for any vessel, vehicle, or aircraft available for official use by the United States Customs Service to enable the vessel, vehicle, or aircraft to assist in law enforcement functions;

(C) the reimbursement, at the discretion of the Secretary, of private persons for expenses incurred by such persons in cooperating with the United States Customs Service in investigations and undercover law enforcement operations;

(D) publication of the availability of awards under section 619;

(E) equipment for any vessel, vehicle, or aircraft available for official use by a State or local law enforcement agency to enable the vessel, vehicle, or aircraft to assist in law enforcement functions if the con-

> veyance will be used in joint law enforcement operations with the United States Customs Service; and
>
> (F) [payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint law enforcement operations with the United States Customs Service] *payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in assisting the United States Customs Service in law enforcement activities.*

The general provision (Sec. 1) under Office of Personnel Management in the bill amends section 8902(k)(1) of title 5, United States Code, as follows:

> **(k)(1)** When a contract under this chapter requires payment or reimbursement for services which may be [performed by a clinical psychologist or optometrist] *performed by a clinical psychologist, optometrist, nurse midwife, or nurse practitioner/clinical specialist*, licensed or certified as such under Federal or State law, as applicable, or by a qualified clinical social worker as defined in section 8901(11), an employee, annuitant, family member, former spouse, or person having continued coverage under section 8905a of this title covered by the contract shall be free to select, and shall have direct access to, such a clinical psychologist, [qualified clinical social worker or optometrist] *qualified clinical social worker, optometrist, nurse midwife, or nurse practioner/nurse clinical specialist* without supervision or referral by another health practitioner and shall be entitled under the contract to have payment or reimbursement made to him or on his behalf for the services performed.

Section 523 of the bill amends the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note) is amended as follows:

> *SEC. 12. Expenditures by the Secret Service for services to secure the non-governmental property of the permanent residence of the President of the United States are authorized not to exceed an additional amount of $160,000 in each fiscal year to be made available to the local municipality or applicable political subdivision of any State in which such residence is located: Provided, That the permanent residence is located in a municipality or political subdivision of any State where the permanent resident population is 7,000 or less and where the absence of such Federal assistance would place an undue economic burden on the municipality or political subdivision.*

Section 622 of the bill amends section 3392 of title 5, United States Code, is amended as follows:

§ 3392. General appointment provisions

(a) Qualification standards shall be established by the head of each agency for each Senior Executive Service position in the agency—

(1) in accordance with requirements established by the Office of Personnel Management, with respect to standards for career reserved positions, and

(2) after consultation with the Office, with respect to standards for general positions.

(b) Not more than 30 percent of the Senior Executive Service positions authorized under section 3133 of this title may at any time be filled by individuals who did not have 5 years of current continuous service in the civil service immediately preceding their initial appointment to the Senior Executive Service, unless the President certifies to the Congress that the limitation would hinder the efficiency of the Government. In applying the preceding sentence, any break in service of 3 days or less shall be disregarded.

(c) If a career appointee is appointed by the President, by and with the advice and consent of the Senate, to a civilian position in the executive branch which is not in the Senior Executive Service, and the rate of basic pay payable for which is equal to or greater than the rate payable for level V of the Executive Schedule, the career appointee may elect (at such time and in such manner as the Office may prescribe) to continue to have the provisions of this title relating to basic pay, performance awards, awarding of ranks, severance pay, leave, and retirement apply as if the career appointee remained in the Senior Executive Service position from which he was appointed. Such provisions shall apply in lieu of the provisions which would otherwise apply—

(1) to the extent provided under regulations prescribed by the Office, and

(2) so long as the appointee continues to serve under such Presidential appointment

(d) Appointment or removal of a person to or from any Senior Executive Service position in an independent regulatory commission shall not be subject, directly or indirectly, to review or approval by any officer or entity within the Executive Office of the President.

(e)(1) The Senior Executive Service shall be a service in which rank and rate of pay are based on the performance of an individual and not on the position in which such individual is employed.

"(2) The Office of Personnel Management, or any department or agency may not prescribe or enforce any regulation that—

"(A) sets qualification or classification standards for admission or service in the Senior Executive Service which is not based on the requirement of paragraph (1); or

"(B) violates the requirement of paragraph (1) relating to the status of any career appointee in the Senior Executive Service.

Section 622 of the bill amends section 5383 of title 5, United States Code, as follows:

§ 5383. Setting individual senior executive pay

(a) Each appointing authority shall determine, in accordance with criteria established by the Office of Personnel Management, which of the rates established under section 5382 of this title shall be paid to each senior executive under such appointing authority.

(b)(1) In no event may the aggregate amount paid to a senior executive during any fiscal year under sections 4507, 5382, 5384, and 5948 of this title exceed the annual rate payable for positions at level I of the Executive Schedule in effect at the end of such fiscal year.

(2)(A) Any amount which is not paid to a senior executive during a fiscal year because of the limitation under paragraph (1) of this subsection shall be paid to that individual in a lump sum at the beginning of the following fiscal year.

(B) Any amount paid under this paragraph during a fiscal year shall be taken into account for purposes of applying the limitation under paragraph (1) of this subsection with respect to such fiscal year.

(C) The Office of Personnel Management shall prescribe regulations, consistent with section 5582 of this title, under which payment under this paragraph shall be made in the case of any individual whose death precludes payment under subparagraphs (A) of this paragraph.

(c) Except for any pay adjustment under section 5382 of this title, the rate of basic pay for any senior executive may not be adjusted more than once during any 12-month period.

(d) The rate of basic pay for any career appointee may be reduced from any rate of basic pay to any lower rate of basic pay only if the career appointee receives a written notice of the reduction at least 15 days in advance of the reduction.

(e)(1) If a career appointee in the Senior Executive Service is reassigned or transferred under section 3395, or accepts an assignment under sections 3372 and 3373, such appointee shall retain his rank and rate of pay regardless of the designation of rate of pay and rank of the position to which the appointee is transferred or assigned.

"(2) If any agency coerces or requires a career appointee to accept a position described under paragraph (1) at a lower rate of pay or rank, such employee may file a complaint with the Merit Systems Protection Board, Office of Special Counsel as a prohibited personnel practice.

"(f) The rate of pay of a career appointee in the Senior Executive Service may not be reduced, unless such reduction is based on the poor performance or misconduct of such appointee.

Section 622 of the bill amends section 5384(c) of title 5, United States Code, as follows:

§ 5384. Performance awards in the Senior Executive Service

(a)(1) To encourage excellence in performance by career appointees, performance awards shall be paid to career appointees in accordance with the provisions of this section.

(2) Such awards shall be paid in a lump sum and shall be in addition to the basic pay paid under section 5382 of this title or any award paid under section 4507 of this title.

(b)(1) No performance award under this section shall be paid to any career appointee whose performance was determined to be less than fully successful at the time of the appointees's most recent performance appraisal and rating under subchapter II of chapter 43 of this title.

(2) The amount of a performance award under this section shall be determined by the agency head but may not exceed 20 percent of the career appointee's rate of basic pay.

(3) The number of career appointees in any agency paid performance awards under this section during any fiscal year may not exceed 50 percent of the number of Senior Executive Service positions in such agency. This paragraph shall not apply in the case of any agency which has less than 4 Senior Executive Service positions.

(c) Performance awards paid by any agency under this section shall be based on recommendations by performance review boards established by such agency under section 4314 of this title. *In the case of performance awards paid by any agency under this section to career appointees, any such award shall be based on recommendations by a performance review board with a membership that consists of more than one-half career appointees.*

(d) The Office of Personnel Management may issue guidance to agencies concerning the proportion of Senior Executive Service salary expenses that may be appropriately applied to payment of performance awards and the distribution of awards.

§ 5724d. Relocation bonuses for career appointees

"Subject to regulation to the Office of Personnel Management, an agency may pay a relocation bonus of an amount no less than 15 percent and no greater than 25 percent of the annual compensation based on the basic rate of pay of a career appointee in the Senior Executive Service to such an appointee, if the agency determines that a bonus is appropriate to attract highly qualified career appointees for a

position located in an area which is geographically undesirable because of local cost-of-living factors.

Section 622 amends the table of sections for chapter 57 of title 5, United States Code, is amended as follows, by inserting after the item relating to section 5724c the following:

5724d. Relocation bonuses for career appointees.

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1990: Subcommittee on Treasury, Postal Service	18,523	18,412	18,015	[1] 17,932
Projections of outlays associated with budget authority recommended in the bill:				
1990				[2] 16,268
1991				1,619
1992				156
1993				19
1994 and future year				9
Financial assistance to State and local governments for 1990 in the bill				
	Direct loans		Loan guarantees	
Credit authority estimates, fiscal year 1990				

---

[1] Includes outlays from prior-year budget authority.

[2] Excludes outlays from prior-year budget authority.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	Senate committee recommendation compared with (+ or –)		
					1989 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE I - DEPARTMENT OF THE TREASURY							
Departmental Offices:							
Salaries and expenses	57,995,000	83,091,000	58,081,000	83,091,000	+25,096,000	---	+25,010,000
International affairs	23,623,000	---	25,010,000	---	-23,623,000	---	-25,010,000
Office of the Inspector General	---	13,605,000	13,605,000	13,605,000	+13,605,000	---	---
Federal Law Enforcement Training Center:							
Salaries and expenses	34,664,000	34,158,000	34,664,000	36,277,000	+1,613,000	+2,119,000	+1,613,000
Facilities, acquisition and related expenses	20,000,000	9,880,000	9,880,000	20,783,000	+783,000	+10,903,000	+10,903,000
Financial Management Service:							
Salaries and expenses	277,230,000	289,695,000	289,695,000	289,695,000	+12,465,000	---	---
Bureau of Alcohol, Tobacco and Firearms	241,000,000	245,933,000	245,933,000	257,565,000	+16,565,000	+11,632,000	+11,632,000
United States Customs Service:							
Salaries and expenses	1,033,911,000	1,031,490,000	1,041,490,000	1,059,634,000	+25,723,000	+28,144,000	+18,144,000
Operations and maintenance, air interdiction program	149,262,000	128,128,000	125,128,000	231,728,000	+82,466,000	+103,600,000	+106,600,000
Customs forfeiture fund (limitation on availability of deposits)	10,000,000	10,000,000	10,000,000	20,000,000	+10,000,000	+10,000,000	+10,000,000
Customs services at small airports (to be derived from fees collected)	1,588,000	1,588,000	1,588,000	2,175,000	+587,000	+587,000	+587,000
Receipts	---	---	---	-587,000	-587,000	-587,000	-587,000
Total, United States Customs Service	1,194,761,000	1,171,206,000	1,178,206,000	1,312,950,000	+118,189,000	+141,744,000	+134,744,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990–Continued

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	Senate committee recommendation compared with (+ or –)		
					1989 appropriation (6)	Budget estimate (7)	House allowance (8)
United States Mint:							
Salaries and expenses	47,000,000	50,735,000	50,735,000	50,735,000	+3,735,000	---	---
Bureau of the Public Debt	219,430,000	244,316,000	219,430,000	244,316,000	+24,886,000	---	+24,886,000
Payment of Government losses in shipment	960,000	---	---	---	-960,000	---	---
Internal Revenue Service:							
Salaries and expenses	87,165,000	72,382,000	72,382,000	72,382,000	-14,783,000	---	---
Processing tax returns	1,740,353,000	1,946,003,000	1,953,446,000	1,946,003,000	+205,650,000	---	-7,443,000
Examinations and appeals	1,932,441,000	1,911,301,000	1,911,301,000	1,911,301,000	-21,140,000	---	---
Investigation, collection, and taxpayer service	1,434,921,000	1,612,809,000	1,620,252,000	1,612,809,000	+177,888,000	---	-7,443,000
Total, Internal Revenue Service	5,194,880,000	5,542,495,000	5,557,381,000	5,542,495,000	+347,615,000	---	-14,886,000
United States Secret Service	357,500,000	368,401,000	371,401,000	360,785,000	+3,285,000	-7,616,000	-10,616,000
Total, title I, Department of the Treasury, new budget (obligational) authority	7,669,043,000	8,053,515,000	8,054,021,000	8,212,297,000	+543,254,000	+158,782,000	+158,276,000
TITLE II - POSTAL SERVICE							
Payment to the Postal Service Fund	436,417,000	459,755,000	459,755,000	429,755,000	-6,662,000	-30,000,000	-30,000,000
Payment to the Postal Service Fund for nonfunded liabilities	---	36,942,000	36,942,000	36,942,000	+36,942,000	---	---

TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President	250,000	250,000	250,000	250,000	---	---	---
Office of Administration	18,350,000	18,325,000	18,325,000	18,825,000	+475,000	+500,000	+500,000
The White House Office	27,950,000	30,639,000	30,639,000	30,639,000	+2,689,000	---	---
Executive Residence at the White House	5,698,000	6,773,000	6,773,000	6,898,000	+1,200,000	+125,000	+125,000
Official Residence of the Vice President	258,000	378,000	578,000	578,000	+320,000	+200,000	---
Special Assistance to the President	2,199,000	2,335,000	2,335,000	2,335,000	+136,000	---	---
Council of Economic Advisers	2,787,000	2,906,000	2,906,000	2,906,000	+119,000	---	---
Office of Policy Development	3,000,000	3,079,000	3,079,000	3,079,000	+79,000	---	---
National Critical Materials Council	225,000	---	225,000	550,000	+325,000	+550,000	+325,000
National Security Council	5,100,000	5,409,000	5,409,000	5,409,000	+309,000	---	---
Office of Management and Budget	39,640,000	43,894,000	44,894,000	44,894,000	+5,254,000	+1,000,000	---
Office of Federal Procurement Policy	2,353,000	2,660,000	2,660,000	2,660,000	+307,000	---	---
Unanticipated needs	1,000,000	1,000,000	1,000,000	1,000,000	---	---	---
Investment in management improvement	1,000,000	18,000,000	1,000,000	---	-1,000,000	-18,000,000	-1,000,000
Office of National Drug Control Policy:							
Salaries and expenses	3,500,000	12,000,000	12,000,000	12,000,000	+8,500,000	---	---
Special forfeiture fund	---	136,000,000	136,000,000	---	---	-136,000,000	-136,000,000
Total, title III, Executive Office of the President, new budget (obligational) authority	113,310,000	283,648,000	268,073,000	132,023,000	+18,713,000	-151,625,000	-136,050,000

TITLE IV - INDEPENDENT AGENCIES

Administrative Conference of the United States	1,865,000	1,865,000	1,865,000	1,865,000	---	---	---
Advisory Commission on Intergovernmental Relations	1,040,000	1,300,000	1,300,000	1,300,000	+260,000	---	---
Advisory Committee on Federal Pay	205,000	205,000	205,000	205,000	---	---	---
Committee for Purchase from the Blind and Other Severely Handicapped	862,000	937,000	1,062,000	1,062,000	+200,000	+125,000	---
Federal Election Commission	15,683,000	15,768,000	14,257,000	15,570,000	-113,000	-198,000	+1,313,000
(By transfer)	(250,000)	---	---	---	(-250,000)	---	---
General Services Administration:							
Federal Buildings Fund:							
Appropriation	---	---	3,000,000	17,000,000	+17,000,000	+17,000,000	+14,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990–Continued

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	Senate committee recommendation compared with (+ or –)		
					1989 appropriation (6)	Budget estimate (7)	House allowance (8)
Limitation on availability of revenue:							
Construction & acquisition of facilities....	(119,820,000)	(244,539,000)	(123,253,000)	(41,739,000)	(-78,081,000)	(-202,800,000)	(-81,514,000)
Repairs and alterations....................	(532,865,000)	(438,193,000)	(541,505,000)	(478,443,320)	(-54,421,680)	(+40,250,320)	(-63,061,680)
Payment on purchase contracts...............	(133,000,000)	(129,752,000)	(126,752,000)	(128,752,000)	(-4,248,000)	(-1,000,000)	(+2,000,000)
Rental of space............................	(1,177,532,000)	(1,351,500,000)	(1,351,500,000)	(1,341,736,000)	(+164,204,000)	(-9,764,000)	(-9,764,000)
Real property operations....................	(882,000,000)	(968,298,000)	(951,253,000)	(948,000,000)	(+66,000,000)	(-20,298,000)	(-3,253,000)
Program direction & centralized services....	(49,000,000)	(70,520,000)	(68,020,000)	(65,520,000)	(+16,520,000)	(-5,000,000)	(-2,500,000)
Design and construction services............	(130,000,000)	(157,081,000)	(146,302,000)	(152,081,000)	(+22,081,000)	(-5,000,000)	(+5,779,000)
Rent......................................	---	---	---	---	---	---	---
Total, Federal Buildings Fund:							
New budget (obligational) authority...	---	---	3,000,000	17,000,000	+17,000,000	+17,000,000	+14,000,000
(Limitations).........................	(3,024,217,000)	(3,359,883,000)	(3,308,585,000)	(3,156,271,320)	(+132,054,320)	(-203,611,680)	(-152,313,680)
Federal Supply Service:							
Operating expenses........................	47,000,000	47,644,000	47,644,000	47,644,000	+644,000	---	---
Federal property resources service................	10,800,000	12,174,000	12,174,000	12,174,000	+1,374,000	---	---
Real property relocation.........................	4,000,000	10,000,000	8,000,000	8,000,000	+4,000,000	-2,000,000	---
General management and administration.............	120,774,000	124,297,000	124,297,000	124,297,000	+3,523,000	---	---
Grants....................................	---	---	16,152,000	---	---	---	-16,152,000
Information resources management service..........	31,875,000	32,480,000	32,480,000	32,480,000	+605,000	---	---
Office of the Inspector General..................	25,000,000	26,500,000	26,500,000	26,500,000	+1,500,000	---	---
Allowances and Office Staff for Former Presidents..................................	1,431,000	1,823,000	1,823,000	1,823,000	+392,000	---	---
Expenses, presidential transition................	1,750,000	---	---	---	-1,750,000	---	---

National defense stockpile transaction fund.......	30,000,000	---	---	---	-30,000,000	---	---
Total, General Activities....................	225,630,000	207,274,000	221,426,000	205,274,000	-20,356,000	-2,000,000	-16,152,000
Total, General Services Administration......	272,630,000	254,918,000	272,070,000	269,918,000	-2,712,000	+15,000,000	-2,152,000
Martin Luther King, Jr. Federal Holiday Commission....	---	300,000	300,000	---	---	-300,000	-300,000
National Archives and Records Administration..........	121,900,000	122,612,000	126,612,000	126,612,000	+4,712,000	+4,000,000	---
Office of Government Ethics...........................	---	3,414,000	3,414,000	3,414,000	+3,414,000	---	---
Office of Personnel Management:							
Salaries and expenses:							
Appropriation.................................	108,000,000	113,668,000	113,668,000	111,192,000	+3,192,000	-2,476,000	-2,476,000
(Limitation on adminstrative expenses)........	(77,017,000)	(81,907,000)	(81,907,000)	(81,907,000)	(+4,890,000)	---	---
Office of Inspector General.......................	---	2,918,000	2,918,000	2,918,000	+2,918,000	---	---
Government payment for annuitants, employees health benefits................................	2,374,414,000	3,780,169,000	3,780,169,000	3,780,169,000	+1,405,755,000	---	---
Government payment for annuitants, employee life insurance benefits............................	---	2,700,000	2,700,000	2,700,000	+2,700,000	---	---
Payment to civil service retirement and disability fund.................................	4,858,668,000	5,211,732,000	5,211,732,000	5,211,732,000	+353,064,000	---	---
Federal Retirement Thrift Investment Board (limitation on administrative expenses).........	---	(17,324,000)	---	---	---	(-17,324,000)	---
Total, Office of Personnel Management...........	7,341,082,000	9,111,187,000	9,111,187,000	9,108,711,000	+1,767,629,000	-2,476,000	-2,476,000
Merit Systems Protection Board:							
Salaries and expenses:							
Appropriation.................................	20,488,000	20,987,000	20,987,000	20,987,000	+499,000	---	---
(Limitation on adminstrative expenses)........	(1,400,000)	(1,450,000)	(1,450,000)	(1,450,000)	(+50,000)	---	---
Office of special counsel.........................	5,000,000	5,142,000	5,142,000	5,142,000	+142,000	---	---
Total, Merit Systems Protection Board...........	25,488,000	26,129,000	26,129,000	26,129,000	+641,000	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990–Continued

[Amounts in dollars]

					Senate committee recommendation compared with (+ or –)		
Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	1989 appropriation (6)	Budget estimate (7)	House allowance (8)
Federal Labor Relations Authority	17,540,000	17,500,000	17,500,000	17,680,000	+140,000	+180,000	+180,000
Total, federal personnel activities	7,384,110,000	9,154,816,000	9,154,816,000	9,152,520,000	+1,768,410,000	-2,296,000	-2,296,000
United States Tax Court	29,345,000	28,120,000	28,120,000	28,120,000	-1,225,000	---	---
Total, title IV, Independent Agencies:							
New budget (obligational) authority	7,827,640,000	9,584,255,000	9,604,021,000	9,600,586,000	+1,772,946,000	+16,331,000	-3,435,000
(Limitations)	(3,102,634,000)	(3,460,564,000)	(3,391,942,000)	(3,239,628,320)	(+136,994,320)	(-220,935,680)	(-152,313,680)
Grand total, all titles:							
New budget (obligational) authority	16,046,410,000	18,418,115,000	18,422,812,000	18,411,603,000	+2,365,193,000	-6,512,000	-11,209,000
(Limitations)	(3,102,634,000)	(3,460,564,000)	(3,391,942,000)	(3,239,628,320)	(+136,994,320)	(-220,935,680)	(-152,313,680)

○